
TABLE OF CONTENTS

FY17 BUDGET MESSAGE

| | |
|---|------|
| PINELLAS COUNTY’S MISSION, VISION, VALUES | A-3 |
| PINELLAS COUNTY’S STRATEGIC PLAN (DOING THINGS) | A-4 |
| OVERVIEW OF THE FY17 BUDGET | A-5 |
| PINELLAS COUNTY STRATEGIC PLAN..... | A-5 |
| FUND FORECASTS UPDATE | A-33 |
| CHANGES TO KEY FORECAST ASSUMPTIONS | A-33 |
| GENERAL FUND | A-37 |
| TOURIST DEVELOPMENT COUNCIL FUND | A-41 |
| TRANSPORTATION TRUST FUND..... | A-45 |
| CAPITAL PROJECTS FUND | A-49 |
| EMERGENCY MEDICAL SERVICE FUND | A-53 |
| AIRPORT FUND..... | A-57 |
| WATER FUNDS | A-61 |
| SEWER FUNDS | A-65 |
| SOLID WASTE FUNDS..... | A-69 |
| SURFACE WATER FUND | A-73 |



OUR MISSION

Pinellas County Government is committed to progressive public policy, superior public service, courteous public contact, judicious exercise of authority and responsible management of public resources, to meet the needs and concerns of our citizens today and tomorrow.

OUR VISION

To be the standard for public service in America

To achieve our vision we place the highest importance on:

- **Quality Service**
- **Respectful Engagement**
- **Responsible Resource Management**

OUR VALUES

- We will be respectful of the needs of individuals while recognizing our responsibility to the community as a whole.
- We will be community-centric, embracing the individuality of partners working together as one, toward the community's vitality.
- We believe it is our responsibility to improve the overall quality of life through the management and preservation of the natural and built environment.
- We will provide open and accountable governance.
- We will foster a diverse work culture, a safe workplace, and opportunity for professional and personal growth.

These, our values, will guide the development and implementation of Pinellas County policy for a better community.

Pinellas County's Strategic Plan: *Doing Things to Serve the Public*

Mission: Pinellas County Government is committed to progressive public policy, superior public service, courteous public contact, judicious exercise of authority, and responsible management of public resources to meet the needs and concerns of our citizens today and tomorrow.



Deliver First Class Services to the Public and Our Customers

- 5.1 Maximize partner relationships and public outreach
- 5.2 Be responsible stewards of the public's resources
- 5.3 Ensure effective and efficient delivery of county services and support
- 5.4 Strive to exceed customer expectations



Ensure Public Health, Safety, and Welfare

- 2.1 Provide planning, coordination, prevention, and protective services to ensure a safe and secure community
- 2.2 Be a facilitator, convener, and purchaser of services for those in need
- 2.3 Provide comprehensive services to connect our veterans and dependents to the benefits they have earned
- 2.4 Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing
- 2.5 Enhance pedestrian and bicycle safety



Practice Superior Environmental Stewardship

- 3.1 Implement green technologies and practices where practical
- 3.2 Preserve and manage environmental lands, beaches, parks, and historical assets
- 3.3 Protect and improve the quality of our water, air, and other natural resources
- 3.4 Reduce/reuse/recycle resources including energy, water, and solid waste



Foster Continual Economic Growth and Vitality

- 4.1 Proactively attract and retain businesses with targeted jobs to the county and the region
- 4.2 Invest in communities that need the most
- 4.3 Catalyze redevelopment through planning and regulatory programs
- 4.4 Invest in infrastructure to meet current and future needs
- 4.5 Provide safe and effective transportation systems to support the efficient flow of motorists, commerce, and regional connectivity
- 4.6 Support a vibrant community with recreation, arts, and culture to attract residents and visitors



Create a Quality Workforce in a Positive, Supportive Organization

- 1.1 Recruit, select, and retain the most diverse and talented workforce
- 1.2 Leverage, promote, and expand opportunities for workforce growth and development
- 1.3 Make workforce safety and wellness a priority
- 1.4 Maintain a fair and competitive compensation package

Our Vision: To Be the Standard for Public Service in America

OVERVIEW OF THE FY17 BUDGET

Pinellas County Government is committed to progressive public policy, superior public service, courteous public contact, judicious exercise of authority, and responsible management of public resources to meet the needs and concerns of our citizens today and tomorrow.

As responsible stewards of the public's resources, the Pinellas County Board of County Commissioners (BCC) works diligently to develop a fiscally responsible budget that meets the needs of the community and provides the programs and services that citizens value in a transparent and accessible process.

The FY17 Proposed Budget reflects the mission of the County and adheres to the principles of the Pinellas County Strategic Plan.

The FY17 Proposed Budget Message provides an overview of the budget, including:

- Strategic Plan
- Citizen Engagement
- Budget Development Process
- Budget Development Strategy
- Additional Priority Needs Addressed Within the Proposed Budget
- Departments and Agencies Overview
- Legislative Impacts
- Fund Reserves
- Unincorporated Area (MSTU) Budget

STRATEGIC PLAN

The budget enables the Strategic Plan, which was developed by the BCC and is based on the priorities of the community. Five strategic goals guide the development of the budget each year to assure that the programs and services outlined in the budget align with the goals and strategies set forth in the Strategic Plan.

The **Five Strategic Goals** are:

- **Deliver First Class Service to the Public and Our Customers**
 - In order to achieve our Vision, the service level provided to the Public and our customers is paramount. The strategies aligned with this goal help to ensure positive customer experiences with regard to the timeliness, quality, and cost-effectiveness of services, as well as fiscal accountability and sustainability.
- **Ensure Public Health, Safety and Welfare**
 - An essential function of government is to provide for and protect the public's basic health and safety by ensuring rapid and effective emergency response; facilitating disaster preparedness, continuity of operations, and recovery; coordinating health, dental, and other social services for those in need; and responding to animal safety and welfare concerns.

- **Practice Superior Environmental Stewardship**

- Thirty-five miles of white, sandy beaches, 20,000+ acres of county parkland and preserves, and a large number of lakes, streams, and estuaries are just some of the assets that bring residents, commerce, and visitors to Pinellas County. Preservation of our resources, both natural and built, in the most densely populated county in Florida requires continual effort. Cost effective “green” technologies and practices serve to protect the unique qualities of our county, enable us to meet increasing regulatory requirements, and help to protect and preserve the very things that make Pinellas County a great place to live, work, and play.

- **Foster Continual Economic Growth and Vitality**

- In order to reduce unemployment rates and expand the local economy, opportunities exist to focus on “improved and approved” sites, redevelopment, and leveraging County assets to attract businesses with high wage jobs to our area. Transportation, infrastructure, culture, and recreation also contribute to the potential for continued economic growth and vitality. It is also critical to invest in communities that need the most as our community is only as strong as our weakest link.

- **Create a Quality Workforce in a Positive, Supportive Organization**

- We believe that the workforce is the foundation of organizational performance excellence. Providing opportunities for personal and professional growth and career advancement, ensuring a safe, comfortable work environment, and remaining competitive within the labor market are strategies that will enable us to recruit, select, retain, and cultivate the workforce of today . . . and tomorrow.

Doing Things

Each of the goals is supported by strategies which guide the development of the budget. They serve as a guidepost to the County staff and its stakeholders, who tie the things that they do every day to one or more strategic goals.

It is in the “doing” that the Strategic Plan is put into action. The “Doing Things” are the building blocks of the strategic plan and they are very inclusive. Every employee is “doing things” in support of at least one goal and, often, many more.

Pinellas County's Strategic Plan: *Doing Things to Serve the Public*

Mission: Pinellas County Government is committed to progressive public policy, superior public service, courteous public contact, judicious exercise of authority, and responsible management of public resources to meet the needs and concerns of our citizens today and tomorrow.



Deliver First Class Services to the Public and Our Customers

- 5.1 Maximize partner relationships and public outreach
- 5.2 Be responsible stewards of the public's resources
- 5.3 Ensure effective and efficient delivery of county services and support
- 5.4 Strive to exceed customer expectations



Ensure Public Health, Safety, and Welfare

- 2.1 Provide planning, coordination, prevention, and protective services to ensure a safe and secure community
- 2.2 Be a facilitator, convener, and purchaser of services for those in need
- 2.3 Provide comprehensive services to connect our veterans and dependents to the benefits they have earned
- 2.4 Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing
- 2.5 Enhance pedestrian and bicycle safety



Practice Superior Environmental Stewardship

- 3.1 Implement green technologies and practices where practical
- 3.2 Preserve and manage environmental lands, beaches, parks, and historical assets
- 3.3 Protect and improve the quality of our water, air, and other natural resources
- 3.4 Reduce/reuse/recycle resources including energy, water, and solid waste



Foster Continual Economic Growth and Vitality

- 4.1 Proactively attract and retain businesses with targeted jobs to the county and the region
- 4.2 Invest in communities that need the most
- 4.3 Catalyze redevelopment through planning and regulatory programs
- 4.4 Invest in infrastructure to meet current and future needs
- 4.5 Provide safe and effective transportation systems to support the efficient flow of motorists, commerce, and regional connectivity
- 4.6 Support a vibrant community with recreation, arts, and culture to attract residents and visitors



Create a Quality Workforce in a Positive, Supportive Organization

- 1.1 Recruit, select, and retain the most diverse and talented workforce
- 1.2 Leverage, promote, and expand opportunities for workforce growth and development
- 1.3 Make workforce safety and wellness a priority
- 1.4 Maintain a fair and competitive compensation package

Our Vision: To Be the Standard for Public Service in America

The Five Strategic Goals in Action

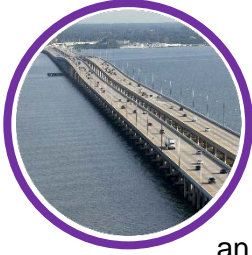


Deliver First Class Services to the Public and Our Customers

Maximize partner relationships and public outreach

There were 3,701 reports of potholes, broken streetlights and other issues received through the countywide *Doing Things for You!* mobile app in FY15. This app allows users of mobile devices to take a picture of an issue and submit it with just a click. The reported issues are submitted and sent to the appropriate jurisdiction in a process that appears seamless to the customer. The success of this app depends on the cooperation of municipalities, County and state agencies and the departments in Pinellas County.

Be responsible stewards of the public's resources



The county arranged for refinancing of its sewer bond this year with cost savings expected in the beginning of FY17. By 2024, the county will save Utilities' customers \$1.1M. Likewise, taxpayers saved approximately \$300,000 by the County's own personnel doing work on the Bayside Bridge. The northbound side of the bridge was painted in FY15 and the southbound is expected to be completed by the end of FY16. Doing the work in-house saved an estimated 50 percent over hiring an outside contractor.

Ensure effective and efficient delivery of county services and support

Constant vigilance and proactive mosquito control measures are helping to protect the public from the spread of Zika and other mosquito-borne viruses. In FY15, Mosquito Control completed 2,100 hours of fogging, aerial treatment for 350,000 acres and responded to more than 2,100 service requests from citizens. So far in FY16, 94 percent of the requests are answered within 24 hours. This service is yielding results. Based on data from daily trap locations, problem mosquitoes were down by 41 percent in the first quarter of FY16 and a 38 percent decrease in the second quarter.

Strive to exceed customer expectations

The Building Department and Development Review Services (DRS) together processed more than 33,000 customer transactions in FY15. More than half of these customers were served within five minutes, a 10 percent improvement over FY14. The Code Enforcement division processed more than 5,000 customer inquiries, opened 5,488 code violation cases and processed 5,218 requests for property violation/lien searches. Voluntary compliance was achieved in 91 percent of the cases opened.



Foster Continual Economic Growth and Vitality

Proactively attract and retain businesses with targeted jobs to the county and the region

Economic Development competed against locations in other parts of the country to attract businesses to the County. In March 2016 Kobie Marketing and Inside Sales Solutions announced the expansion of its headquarters in downtown St. Petersburg, which is projected to add 255 jobs to their current staff of over 200. GE Grid Solutions opened the Advanced Manufacturing Center of Excellence in Clearwater in April 2016, marking the culmination of the company's announced relocation from New York to Pinellas County. The 190,000-square-foot facility represents an investment of \$50M and is expected to create 250 new jobs. Inside Sales Solutions announced it will relocate its headquarters from New York City to St. Petersburg, projecting the creation of 50 new jobs in Pinellas County. In May 2015, Power Design announced plans to expand its

headquarters in the County to create 60 new jobs, facilitate the retention of more than 300 positions and realize a capital investment of \$3M.

Invest in communities that need the most

The County's partnership with the Housing Finance Authority of Pinellas County (HFA) led to the acquisition of 7.7 acres in the Lealman Innovation District in February 2016, including 53 residential units and several non-residential buildings. The land was acquired by the HFA through Pinellas County's Affordable Housing Land Assembly Fund. The investment in this community will prevent de-stabilization of a four-block area and represents a critical step in a pro-active community revitalization strategy. In North County, loans and grants from the HOME Investment Partnership Program will be used to construct and renovate 95 housing units and four multi-family properties at The Villages at Tarpon, a 55 and older community. Through the HOME program, the County is able to provide a variety of housing assistance through funding that is awarded to the County as a participating jurisdiction.

Catalyze redevelopment through planning and regulatory programs



The BCC created the Lealman Community Redevelopment Area (CRA) to revitalize the Lealman area. The CRA Plan will include a variety of community engagement opportunities to create a plan for long-term redevelopment and revitalization. To ensure the success of future projects, a Taxing Increment Finance (TIF) District was established so that property tax dollars collected from the community will be reinvested in the community.

Invest in infrastructure to meet current and future needs



In July 2016, the St. Petersburg-Clearwater International Airport (PIE) opened a 158-space cellphone waiting lot with spaces allocated for electric cars. The airport now has 53 non-stop flights, and from January to December 2015 it hosted more than 1.6M passengers for an all-time record. According to the Wall Street Journal, it is one of the fastest growing airports in the country.

Provide safe and effective transportation systems to support the efficient flow of motorists, commerce, and regional connectivity

The new Smart Tracs Advanced Traveler Information System website and the Video Distribution Management System was installed to improve traffic flow, providing traffic camera access to all television outlets and emergency management agencies.

Support a vibrant community with recreation, arts, and culture to attract residents and visitors

The CVB conducted sales and marketing operations in more than 14 countries around the world, resulting in 13.7 million visitors vacationing in the St. Petersburg/Clearwater area from January to December of 2016. As the most popular vacation destination on Florida's west coast, more than five million visitors stayed overnight and the length of stay in the area averaged six nights. During that time period, the tourism industry supported 94,100 jobs.



Practice Superior Environmental Stewardship

Implement green technologies and practices where practical



Since May 2015, the County has reduced its carbon footprint by an estimated 1,400 metric tons with the operation of the downtown Clearwater District Cooling Plant. The plant makes ice at night when power costs are low, uses the ice to cool the water during the day, and delivers it to customers via an underground piping system. The plant delivers air conditioning to seven county buildings and one private customer. In the first full year of operation, the comparative electrical costs for the plant are \$70,000 less than the previous year, when the County buildings were operating in a standalone manner. Based on the reduction of on-peak energy consumption, the County received a \$95,400 rebate from Duke Energy. An additional \$75,000 was saved when one of the chillers formerly used downtown was installed at the Brooker Creek Preserve Environmental Education Center in 2016. The County is also being good stewards of the environment by using solar panels at 91 of its pedestrian crossings. The cost to hook up power at these locations was estimated at \$60,970 and the total annual energy cost would have been \$12,840.

Preserve and manage environmental lands, beaches, parks, and historical assets

The Fort De Soto Recirculation Project was completed in FY16 and is expected to help restore estuary habitat and improve water quality in the bay. The project included the removal of a land bridge created for an old access road at the park to re-establish tidal flushing and improve water quality in two backwater bays. The project was funded through grant assistance from Southwest Florida Water Management District (SWFMD) for \$420,000 and the Tampa Bay Estuary Program (TBEP) for \$168,000.

Protect and improve the quality of our water, air, and other natural resources



From June 2014 to June 2016 the County has worked with communities to adopt nine ponds through the Adopt-A-Pond program. The County continues to work with 15 interested neighborhoods. The program focuses on improving water quality, habitat restoration, flood protection and increased environmental stewardship.

Reduce/reuse/recycle resources including energy, water, and solid waste

Changes in operations, procedures and improvements to the potable water distribution system resulted in a savings of 54 million gallons of drinking water in FY15 from the previous fiscal year. In addition, \$1M was saved from FY12 to FY15. The changes improved water quality and saved water and money while continuing to meet all federal and state standards for safe drinking water.



Ensure Public Health, Safety and Welfare

Provide planning, coordination, prevention, and protective services to ensure a safe and secure community

A Human Trafficking Ordinance was passed that established requirements for signs at specified businesses to raise awareness of the practice and of the resources available to victims, with a goal of reducing human trafficking. From March 1, 2016 to May 31, 2016 there were 529 compliance verifications done and 120 written warnings issued. There were 469 establishments verified or already in compliance.

Be a facilitator, convener, and purchaser of services for those in need



The Bayside Health Clinic in Clearwater opened its doors in April 2016 to provide health, dental and behavioral health services to an estimated 1,200 citizens per year. The first 153 clients were seen between April 28 and May 30, 2016. The 3,078-square-foot facility is the result of a federal grant to develop and implement services for homeless individuals within Pinellas County.

Provide comprehensive services to connect our veterans and dependents to the benefits they have earned

From October 2014 to June 2016, the County provided substance abuse treatment to 93 veterans in the criminal justice system. The treatment was funded by a three-year Veterans Treatment

Court grant from the U.S. Department of Health and Human Services for \$325,000 per year and was provided in partnership with WestCare Gulfcoast-Florida Inc. The current grant program will conclude on July 31, 2016.

Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing

From May 2015 to May 2016, Human Services and 2-1-1 Tampa Bay Cares Inc. provided 1,440 individuals with financial assistance to help prevent or remedy homelessness. A total of \$686,505 in direct assistance was provided, which included contributions from the public through the Pinellas County Care Fund. The successful program is expected to continue into FY17.

Enhance pedestrian and bicycle safety

To provide safe access for pedestrians, the county repaired or replaced more than 28,000 square feet of damaged sidewalks during FY15. Maintenance personnel also conducted 882 sidewalk grinds, which levels out the surfaces of uneven sidewalk joints in specific areas to remove potential trip and fall hazards.



Create a Quality Workforce in a Positive, Supportive Organization

Recruit, select, and retain the most diverse and talented workforce



The County Administrator honors an employee each month at a BCC meeting with a presentation of a *Doing Things! Recognition* and the airing of a video that is produced to spotlight their *Doing Things*. These individuals are nominated by their peers for their leadership in exceeding customer expectations and ensuring effective and efficient delivery of County services and support.

Leverage, promote, and expand opportunities for workforce growth and development

Pinellas Animal Services (PAS) partners with St. Petersburg College's Veterinary Technology Center to provide veterinary technology students with valuable real world experience in a high volume shelter environment. The staff also works with veterinary medical students from several veterinary medicine programs to provide them with surgical experience as they work toward their degrees. Since February 2016, 10 SPC students have rotated through PAS or a total of 36 hours worked.

Make workforce safety and wellness a priority

The County will launch a five-year program in October 2016 to train more than 800 employees in OSHA compliance to provide a safe and healthy workplace. In addition, three contracted nurse case managers were replaced with an in-house nurse case manager in April 2015 to provide personal assistance to injured workers by attending physician visits with them and developing a plan to aid in recovery from their injuries.

Maintain a fair and competitive compensation package

The BCC adopted an alternative minimum wage threshold of \$12.50 per hour for all full-time, permanent employees who fall under the County Administrator. This affects approximately 38 of the County's approximately 1,800 employees.

For more examples of [Doing Things For You!](http://www.pinellascounty.org/PDF/CountyAccomplishment_Report.pdf), visit the Pinellas County 2015 Accomplishments Report. (www.pinellascounty.org/PDF/CountyAccomplishment_Report.pdf)

Looking Ahead – Doing Things in the Future

To ensure that the Strategic Plan continues to be aligned with community needs, the BCC revisits the plan at least annually and adjusts goals and/or strategies as needed. On March 1, the BCC engaged in a full-day workshop and discussed several of the key Doing Things that will be focal points moving forward.

Create a Quality Workforce in a Positive, Supportive Organization

- Proposed 3% Wage Increase
- Mentoring and Career Readiness
- Adopt OSHA as the County Standard
- Advocate for Compensation and Classification Study
- Strive for Workforce to Reflect the Community

Ensure Public Health, Safety, and Welfare

- Aging Friendly Community
- Adult Pre-Arrest Diversion Program
- Water Rescue Improvements
- Text-to-911
- Competitive Funding for Social Action Partners
- Implement Behavioral Health Pilot
- Complete Streets for Bicycle and Pedestrian Safety
- Partner with American Heart Association for CPR Goals
- Affordable Housing Land Assembly Trust Fund

Practice Superior Environmental Stewardship

- Incorporate Green Technologies into Comprehensive Plan and Building Code
- Conduct Sea Level Rise Vulnerability Assessment
- Cogeneration at the Detention Phase I Project
- Continued Improvement to the Community Rating System Class Rating
- Pursue the Reauthorization of the Treasure Island Beach Nourishment Project

Foster Continual Economic Growth and Vitality

- Reprioritize 126th Avenue North
- Update Comprehensive Plan and Land Development Regulations to Support Redevelopment
- Penny Renewal Education Campaign
- Assemble, Approve, and Improve Land to Attract and Maintain Employers
- 118th Avenue / Gateway Expressway Project
- Approval of Lealman Community Redevelopment Agency (CRA) Plan and Tax Increment Financing (TIF)

Deliver First-Class Service to the Public and Our Customers

- Foster Doing Things App Partnerships
- After-Hours Customer Service Line
- Develop Departmental Customer Satisfaction Surveys
- Implement Asset Management Plan
- Leverage Business Intelligence for Data Driven Decisions
- National Flood Insurance Plan Reauthorization

CITIZEN ENGAGEMENT

Reaching out

The County is continually looking for new ways to engage with its citizens. Online services allow customers to pay bills, reserve shelter spaces, make appointments and get in touch with their commissioners. Social media channels allow us to “talk” to our residents. The NextDoor application offers another portal for the County to reach out to residents and for residents to reach out to their local government. The public is welcome to call, but they can also use the convenience of the LiveChat feature on the County website to ask for the information they need. They can also use the *Doing Things for You!* mobile app to report potholes, broken streetlights and other issues. It is more important than ever for our officials to hear from their constituents.

Citizen Survey

In the Pinellas County 2016 Citizen Survey, a cross-section of County residents was interviewed to find out what citizens value in their community.

Pinellas County is very proud that this year, over 90 percent of residents reported having a great deal to a fair amount of trust and confidence in County government. This is the highest rating since the County officially began its citizen surveys in 2012 and is well above the national trend for local government as reported by the Nationwide Gallup poll.

Survey results also showed that a vast majority of residents are pleased with Pinellas County:

- 94 percent would recommend the county as a place to live.
- 89 percent would recommend the county as a place to work.
- 91 percent would recommend the county as a place to raise children.
- 94 percent would recommend the county as a place to retire.



Residents were also asked what they thought about certain aspects of their community, such as parks, public transit and support services for the homeless. They reported that their experiences are closer than ever to their expectations.

To view the [2016 Citizens Survey](http://www.pinellascounty.org/surveys) visit www.pinellascounty.org/surveys.

The Community Conversation



The results of the Citizen Survey and the goals of the Strategic Plan were shared with citizens on May 3 at the 2016 Community Conversation, an annual event that is held as part of the County's proactive efforts to engage with citizens beyond regular commission meetings.

The County partnered with St. Petersburg College (SPC) Seminole Campus and Bay News 9 to bring the Community Conversation to the SPC Digitorium with an open house and meeting, which was moderated by Al Ruechel of Bay News 9. The panel was comprised of the Pinellas County Commission Chairman Charlie Justice, Vice-

Chairman Janet C. Long, and Commissioners Pat Gerard, Dave Eggers, Karen Williams Seel, John Morroni and Kenneth T. Welch; and Pinellas County Administrator Mark S. Woodard.

Approximately 80 people were in attendance and asked the Commissioners questions on a wide array of issues. The meeting was also streamed live on the County website and on Facebook and nearly 350 people participated via the County's blog and social media networks. Several thousand citizens participated in the telephone portion of the Community Conversation. During this 90-minute period, the conference call peaked with more than 1,400 citizens on the call at one time. The discussion was also aired live on Pinellas County Connection Television (PCC-TV) and St. Petersburg College Television (SPC-TV).

To see a replay of the [Community Conversation](http://www.pinellascounty.org/CommunityConversation), visit www.pinellascounty.org/CommunityConversation.

In Your Neighborhood

The BCC will continue the conversation with citizens at upcoming community meetings scheduled for August 16, 2016 at Catherine Hickman Theater in Gulfport, September 20 at St. Petersburg College Tarpon Springs Campus Auditorium in Tarpon Springs, and October 18, 2016 at Pinellas Park City Hall to give citizens and officials an opportunity to discuss local issues that affect the community.

Budget Information Sessions

Citizens are encouraged to participate in the meetings that are held throughout the budget process. These Budget Information Sessions focus on unique aspects of the budget and include presentations by the County Constitutional Officers, Independent Agencies, and department staff. The BCC votes on the adoption of the budget at two public hearings in September. These meetings are held in the Downtown Clearwater Courthouse Fifth-floor Assembly Room.

The [Budget Timetable](http://www.pinellascounty.org/budget/17budget/FY17BudgetTimetable.pdf) includes the calendar of upcoming meetings is on the FY17 Visit www.pinellascounty.org/budget/17budget/FY17BudgetTimetable.pdf

Citizens Guide to the Budget

Our citizens are partners in every stage of the budget process and are encouraged to learn more about how the County's sources of revenues and expenditures. An excellent source of information is the online [Citizens Guide to the Budget](#). The website provides updated information on upcoming budget meetings and supporting material for the meetings that have been held throughout the year, including presentations and video files.

A highlight of the [Citizens Guide to the Budget](#) is the newly launched [OpenGov](#) a web-based application that offers an interactive experience. Users can filter budget data and add variations



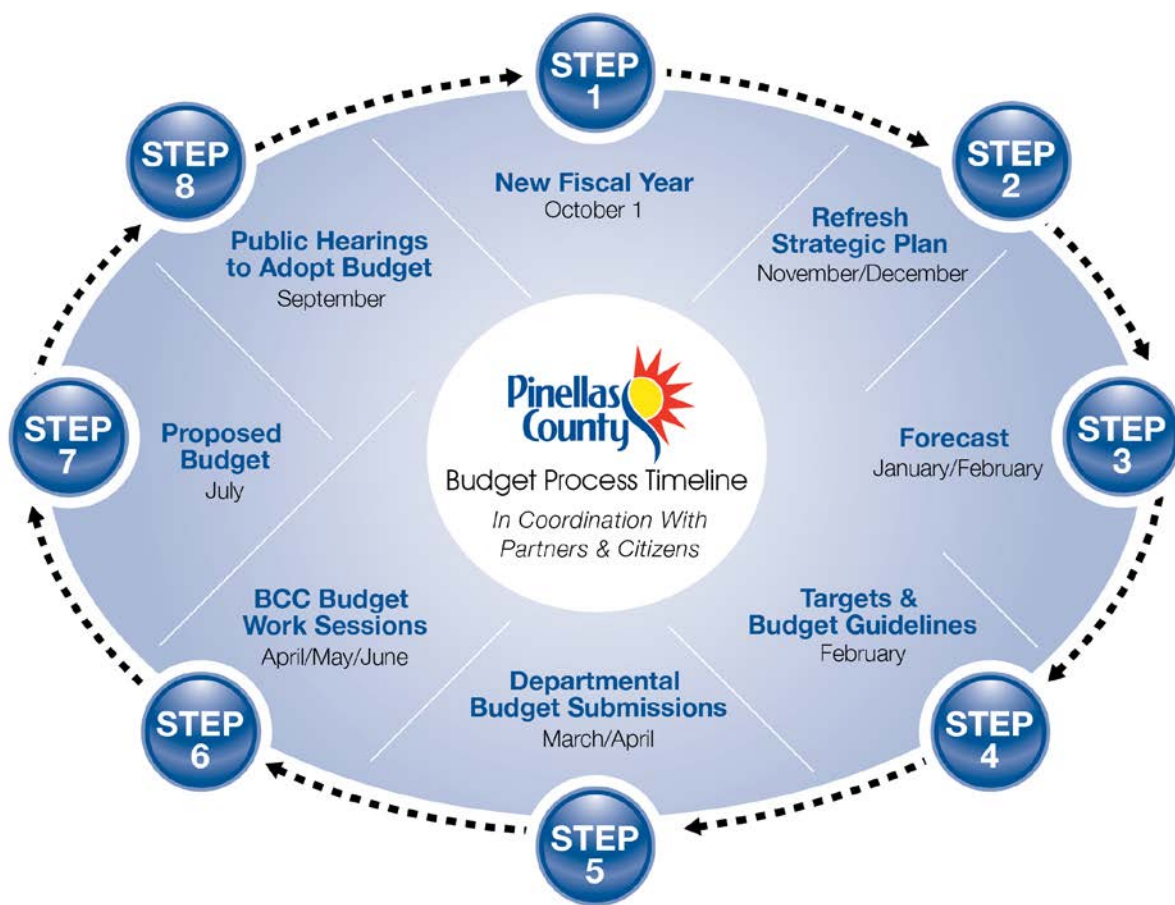
of graphic representations of the revenues and expenditures for different departments and funding sources. Pinellas County is one of the first counties in the state to publish budget data on the [OpenGov](#) platform.

In addition to this useful information, the website delves into explanations about different taxing authorities, factors that affect revenues, taxing authorities, Truth in Millage notices, unincorporated taxing districts and a look at how property taxes are used.

The [Citizens Guide to the Budget](#) can be found by visiting www.pinellascounty.org/budget. Look for the Suggestion Box to submit your ideas online. Suggestions can also be mailed to the Pinellas County Office of Management and Budget, 14 South Fort Harrison Ave., 5th floor, Clearwater FL 33756.

BUDGET DEVELOPMENT PROCESS

Preparing the County's annual operating and capital budget is a year-round process, as illustrated in the following diagram.



Refresh Strategic Plan (November/December)

During this time period, the BCC refreshes its strategic plan. This timing reflects a revision to enable departments to build their budget request to align with the refreshed strategic plan. During this year, the BCC refreshed its strategic plan at a workshop in March, although changes were minimal and did not require adjustments to department budget requests that had already been developed.

To help inform the BCC in advance of their strategic planning workshop, departments prepared for and presented in January to the BCC a report of their ongoing and newly developed tactics or “Doing Things” - projects and programs - that link back to the strategic plan. This process ensures that departments and agencies under the BCC link the various projects and programs funded in the Annual Budget to the five goals of the strategic plan, also ensuring that sound strategy is linked to the big picture driving budget decisions.

Financial Forecast (January/February)

After the fiscal year starts, the initial step in the annual budget process is to update the Forecast in order to develop the budget guidelines for the upcoming budget process.

The Forecast is built upon an individual assessment of 10 of the County's major funds: the General Fund, the Tourist Development Fund, the Transportation Trust Fund, the Capital Projects Fund, the Emergency Medical Services Fund, the Airport Fund and the Water, Sewer, Solid Waste, and Surface Water Funds.

The process for developing the FY17-22 Forecast included updating the projections for the prior fiscal year, FY15, with actual revenue and expenditure information following the year-end closeout. At the same time, current FY15 revenues and expenditures were projected on a preliminary basis by analyzing the actual year-to-date numbers and projecting the remaining months left in the fiscal year. These projections are further refined later in the process as departments provide their projections for revenues and expenditures. The forecast for the upcoming budget year, FY17, was based on available information and formed the underlying basis for developing the strategy to balance the budget. In addition to focusing on the upcoming fiscal year, the Forecast's multi-year horizon helps determine the long-term financial position of the County's funds as well as the impact of today's budget decisions on the future. The “out-years” through FY22 are forecasted using various projection methods such as trend analysis, linear regression and moving averages. Developing a multi-year forecast provides decision-makers with at least three key benefits: (1) assessing the long-term financial sustainability of the County's funds; (2) understanding the impact of today's decisions on the future; and (3) providing a holistic financial picture.

Targets/Budget Guidelines (February)

The targets or budget guidelines are developed by County Administration based on the Financial Forecast. These are communicated to the County's departments and agencies for use during their budget development. At this time all instructions and resources for preparing budget requests are also distributed.

Budget Submissions (March/April)

County departments and agencies submit their completed budget submissions at this time except for the Constitutional Officers who have a due date of May 1. The budget submissions are analyzed by Office of Management and Budget staff in preparation for budget work sessions with the BCC.

Budget Work Sessions (April/May/June)

During this time various budget work sessions are held with the BCC to obtain feedback necessary to develop the Proposed Budget such as millage rate policy, proposed program enhancements or reductions and revenue adjustments.

Proposed Budget (July)

The Proposed Budget is prepared by the County Administrator based on direction acquired from the various budget work sessions with the BCC and priorities in the County's Strategic Plan. The Proposed Budget document presents a balanced budget for the coming year.

Public Hearings to Adopt Budget (September)

Once the Proposed Budget is distributed, additional budget work sessions may be held to provide further guidance to the County Administrator. All changes to the Proposed Budget are finalized and announced at each of the public hearings. The public hearings represent an opportunity for citizens to provide input to the BCC regarding the budget process. At the first public hearing the BCC approves the tentative millages and budgets. At the second public hearing the BCC approves the adopted millages and budgets.

New Fiscal Year (October)

In October, the new fiscal year begins based on the Adopted Budget and the annual budget process ends.

For specific dates applicable to the current budget process, see the Budget Calendar in the Appendix of this document.

BUDGET DEVELOPMENT STRATEGY

Following the presentation of the Financial Forecast in February, 2016, budget targets for County Administrator departments, Constitutional Officers, and Independent Agencies were prepared using the inflation factors defined in that document. Departments reporting to the BCC prepared their detailed budget requests. The Constitutional Officers and Independent Agencies also prepared their budget requests and presented them to the BCC in a series of budget information

sessions in April and May. Overall, the department and agency budget requests met these targets. However, a number of needs which exceeded the forecast expectations were identified.

The BCC was engaged early in the budget development process, allowing for greater transparency and information flow about all available resources. This yielded greater input from the BCC and provided the BCC the opportunity to identify budgetary priorities.

The additional needs identified by departments, agencies, and the BCC were considered in the context of the County's Strategic Plan. Since available resources in the FY17 Budget were insufficient to support all needs aligned with the Strategic Plan, additional factors like public safety, preservation of assets, service level maintenance and restoration, and quality of life were considered.

To help enable incremental and careful investments in addressing these needs, the BCC employed two key balancing strategies. One strategy is revising our reserve policy to align with the best practices among our peers by maintaining prudent reserve levels of 15% of total revenues. The other strategy is re-prioritizing Penny for Pinellas funding to meet immediate community needs, including investment in public safety vehicles for the Sheriff. This strategy realigns funding for those vehicles from the General Fund, thereby creating capacity for additional priorities.

Below is a summary of the needs that have been incorporated into the FY17 Budget, organized by strategic goal area. Additional information regarding each need is included in applicable department and agency analyses in [Sections C-H](#).

ADDITIONAL PRIORITY NEEDS ADDRESSED WITHIN THE PROPOSED BUDGET

The BCC and staff carefully evaluated opportunities to invest additional funds above and beyond the base budget required to continue with current programs and service levels. This base budget essentially reflects the "costs of opening the doors" and does not include service level enhancements. In evaluating how to apply additional, but limited funding to a significantly larger number of opportunities, the BCC and staff considered the following factors:

- Alignment with Doing Things Strategic Plan
- Provides benefit to the customer / has a significant customer service focus
- Needed to meet a regulatory requirement
- Required to meet a prior BCC or County Administration decision
- Can't be accomplished in-house with existing staff, or with a partner
- Needed versus nice-to-have or is critical to the success of the organization's mission

Additionally, the BCC and staff prioritized the requests by seeking to:

- Careful, strategic investments to address the detrimental impacts of the Great Recession and service level restoration where needed and affordable.
- Focus on improving public safety capabilities where needed.

- Maintain and preserve existing assets – natural, built, and historic – to avoid higher future costs.
- Customer-centric investments that increase efficiencies and long-term cost savings.
- Incremental increases in programs that enhance quality of life (arts, MSTU, unincorporated recreation).
- Act on opportunities to mitigate redundancies, consolidate where practical, and create economies of scale.

The BCC was presented with requests for service level enhancements exceeding \$24M. Using the priority guidance above and recognizing the limited funding available, the BCC directed staff to include approximately \$12M in the FY17 budget. Partial financial support and/or alternative approaches are enabling a majority of the supported requests. These requests are described below.

Create a Quality Workforce in a Positive, Supportive Organization

| | |
|--|---|
| Pay and Classification Study (\$200K) | Undertake study utilizing external consultants to examine the County's existing pay and classification program and processes. The objective is to chart a path for correcting pay equity issues, addressing pay grades and ranges that are inappropriate to the work being performed and/or not competitive in attracting and retaining staff, considering alternate methods of classifying positions, and exploring options for merit pay. |
|--|---|

Ensure Public Health, Safety, and Welfare

| | |
|--|---|
| Pinellas Regional 911 Staffing Action Plan (\$600K) | Implementation of multi-year staffing plan to address staffing shortages that are yielding reduced performance and compliance with mandatory call-answer times, high turnover, mandatory overtime, and morale issues. Plan includes acceleration of hiring to overcome attrition, enable sufficient staffing while new staff is undergoing training, reduce overtime, and implement pay and classification changes. Desired outcomes are improved performance and compliance, increased employee retention and satisfaction, and reduced overtime expenditures. |
| Veterinary Services (\$224K) | An additional veterinarian medical team will allow Animal Services to reduce the number of days backlogged for surgeries, increasing the live release rate. The average surgical schedule is 7 cats and 6 dogs per day. The surgery schedule for the dog adoption program operates with a 5-7 day backlog. When an animal is reclaimed by its owner or an unsterilized adoption dog is selected for adoption, there is a 1-2 day wait for surgery and release from the shelter. The additional team would eliminate the surgery backlog for animals being reclaimed and significantly reduce the backlog for the dog adoption program. This enhancement is funded through anticipated increases in animal license revenues. |

| | |
|---|---|
| Increased Code Enforcement Staffing (\$200K) | Augments staffing by two (2) FTEs and associated expenses in the Code Enforcement Division of Development Review Services to expedite response to neighborhood complaints. Funding of \$100K associated with each position. The goal is to reduce response times from the current average of 10 days. The anticipated reduction equates to approximately 1.5 days per full time code enforcement officer. |
| Department of Health Program Enhancement - Dental Sealant (\$179K) | Enables the Health Department to expand existing dental sealant program to 40 elementary schools and three to five middle schools. Currently, combined funding from the Juvenile Welfare Board (\$150K) and Medicaid revenue (\$170K) supports reaching 4,000 students at 23 schools. The County's \$70K investment in FY15 for a van, portable dental chairs, and supplies continues to support this program as well. |
| Homeless System of Care Resources (\$1.6M) | Provides a significant capacity increase for the homeless system of care to allow for collaboration around housing support services for stabilization, rapid re-housing, case management, and enhancements around data and reporting. Specific activities enabled are: 1) enhancing supportive housing services; 2) developing rapid re-housing assistance with case management impacting 110 families and 210 individuals; 3) adding case management to homeless street outreach; and 4) providing for local Homeless Management Information System (HMIS) data and reporting quality. |
| 211 After Hours Staffing (\$75K) | Provide 211 with funding to address gaps in staffing during early evenings and weekends so that individuals in crisis can get help more quickly. The objective is to enable 24-hour staffing through additional full- and part-time positions. This builds upon the partnership with 211 to navigate eligible clients to access the adult emergency financial assistance program. |
| HIV/AIDS Educational Outreach (\$50K) | Invest in educational outreach and/or grant funding via Health Department to organizations addressing HIV/AIDS. |
| DNA Laboratory (\$176K) | With two (2) additional positions, enables Medical Examiner's DNA Laboratory to preserve its current response rate of less than 40 days for testing sexual assault kits and other samples. This far exceeds the 120-day standard for sexual assault kits established by the Florida legislature in CS/CS/SB 636 - Evidence Collected in Sexual Offense Investigations. |
| Medical Examiner Equipment (\$63K) | Machinery and equipment to enhance operations and/or replace end-of-life assets including \$60,000 for a robotic system for toxicology. |
| Sheriff - Helicopter Maintenance (\$1.3M) | Ensures safety and preservation of asset via FAA mandated helicopter inspection and related costs. This re-certification is required every 12 years. |
| Sheriff - Academy/ Training Costs (\$2.5M) | Enables Sheriff to reduce attrition impacts and ensure higher levels of fully trained sworn and corrections officers in service by increasing investment in police academy for new hires. |
| Sheriff - FY17 Vehicles (\$5.0M) | This strategic investment of Penny for Pinellas funds supports public safety through the outright purchase of vehicles in lieu of multi-year leases that carry interest expense. |

| | |
|--|--|
| Sheriff - Electronic Medical Records (\$510K) | Electronic Medical Records technology at the Medical Section of the Pinellas County Jail enables the Sheriff's Office to improve responses to records requests and more efficiently provide health care services for inmates. |
| Sheriff - Adult Pre-Arrest Diversion Program (\$300K) | Enables development and implementation of new adult pre-arrest diversion program through coordination with justice and community partners to reduce impact on court system and avoid criminal arrest records for individuals. |
| Drug Court Service Level Restoration (\$75K) | Increases funding to \$517K for Pinellas County Drug Court Program that began in 2001 to provide court-supervised drug treatment for non-violent defendants. While various grant programs have assisted in serving specialty needs over time, the base funding support by the County provides the core foundation for Drug Court operation with outpatient and residential services. |

Practice Superior Environmental Stewardship

| | |
|--------------------------------|---|
| Shell Key Pass (\$217K) | Continuation of work to identify options and associated funding needs for opening the Shell Key North Pass. Immediate fiscal impact will be the completion of an 18-month dual inlet study that includes an assessment of dredging the north pass of Shell Key. The study should provide a better understanding of sand movement processes in the Shell Key Preserve and surrounding area, the likelihood of sustaining an open north passage if re-dredged, and other options. |
|--------------------------------|---|

Foster Continual Economic Growth and Vitality

| | |
|--|---|
| Anclote River Dredging Project (\$300K) | Design and permitting as first stage in proposed 20-25 year dredging of the Anclote River, in partnership with the City of Tarpon Springs and U.S. Army Corps of Engineers. The work would be part of the Tarpon Springs Economic Development project to support the Tarpon Springs shipping industry. |
| Creative Pinellas Funding (\$277K) | Increase funding commitment to Creative Pinellas to \$477K to allow the continued growth of this non-profit local arts agency. The funding would support the mission of the agency and allow it to sustain its role in the creative community. The majority (\$400K) is funded from the Tourist Development Fund. |
| Expanded Outreach & Accountability for Economic Development Initiatives (\$48K) | Funding will support a competitive analysis/underemployment study (\$40K) and software program to assist in evaluating return-on-investment for economic development incentives (\$7,880). |

| | |
|---|--|
| Black Business Investment Corporation (BBIC) Support (in-kind) | Pinellas County Economic Development Small Business Development Center staff will provide on-site support up to one day per week. County will provide assistance with seeking and securing additional grants. BBIC provides capital access, technical assistance, and business development for minority business in the 5 poverty zones, initially South St. Petersburg and Lealman. |
| Housing Trust Fund (\$400K) | The BCC established the Community Housing Trust Fund Program on March 24, 2006 by Ordinance 06-28 (Amended July 21, 2009). The BCC has allocated a total of \$19.6 million to the housing trust fund since program inception. Incremental investment and building upon the \$200K invested in FY16 will enhance funding to construct and rehabilitate housing on land acquired with Penny funds through the Affordable Housing Land Assembly program. Penny funds cannot be used for construction activities. |
| Lealman Community Redevelopment Agency Budget (\$100K) | Funding represents seed money to establish a new budget for the Lealman Community Redevelopment Agency (CRA) that was approved in June, 2016 with anticipated TIF revenues beginning in January, 2017. The Trust Fund is expected to receive approximately \$48 million over the 30 year life of the program. Since the first several years of TIF revenue are minimal, additional General Fund dollars will support operating needs for the first year of the CRA. This budget request does not reflect first year anticipated revenues of approximately \$300,000 of TIF funding (January 2017). Those anticipated revenues will be dedicated to projects and programs in support of the CRA Plan. |
| MSTU Community Funds Expenditures (\$220K) | Continuation of funding established in FY16 to support BCC-directed projects in unincorporated communities. |
| Recreational Programming in Unincorporated Target Areas (\$253K) | Support Pinellas County Sheriff's Police Athletic League (PAL) and the YMCA of the Suncoast. The County has been partnering, formally and informally, with both of these agencies since 2001. PAL was founded in 2001 and, in 2009, the agency began utilizing the former SE Highway Yard (Big PAL) to provide recreational programming to serve middle school and high school students and the former County Connection Center site (Little PAL) at Lealman Park to serve elementary school students. The YMCA of the Suncoast began providing recreational programming at the County-owned Omni Center in 2001 at the conclusion of a major renovation to the structure and the construction of a swimming pool and practice and game-day football fields for Largo for Youth. Starting in FY16, \$100K funding is also provided to the Seminole Youth Athletic Association, Seminole Junior Warhawks, and Cross Bayou Little League to support groundskeeping and maintenance of fields. |

Deliver First Class Services to the Public and Our Customers

| | |
|---|--|
| MSTU/Pinellas Community Planning (\$50K) | Enable consulting support to engage communities in needs assessments in MSTU communities. |
| Supervisor of Elections - Presidential General Election (\$155K) | Funding required to increase quantities of ballots and additional, non-permanent staff in support of the November 8, 2016 Presidential General Election. |
| Justice CCMS Enhancements (\$768K) | Justice CCMS Enhancements, including Jury System (\$268K) migration from mainframe to Tyler Odyssey system and eight priority enhancements (\$500K) defined by CJIS Policy Board. An additional 18 enhancements (\$368K) are deferred for consideration in FY18. Justice CCMS is the consolidated case management system that supports data sharing among stakeholders in the justice community including clerk, courts, public defender, state attorney, and law enforcement. |
| Public Defender - Computer Purchase (\$108K) | Additional funding to upgrade technology solution to personal computer/tablet devices. Represents net increase versus continuation of current solution (standard desktop). Anticipate overall reduction in warehouse space for paper files, less expenditures for printers, toners, postage and courier service. Case materials will be accessed more quickly and fewer documents will be lost. |

DEPARTMENTS AND AGENCIES OVERVIEW

The County's Annual Operating and Capital Budget includes agencies and departments that report to the Board of County Commissioners and the County Administrator, as well as the budgets of Constitutional Officers and Independent Agencies.

The FY17 Budget totals \$2.2B, an increase of \$127.3M or 6.2% over the FY16 Revised Budget. While there are no proposed changes to millage rates except the Pinellas Park fire district, property tax revenue is projected to yield an additional \$30.6M as a result of increased property values. Another \$58.2M is reflected in fund balances, primarily attributable to capital funds lapsing and/or preserving funds for future projects and the imposition of the new 6th percent of tourist development tax on short-term accommodations combined with continued tourism growth in the Tourist Development Fund.

The **Board of County Commissioners (BCC)** is the legislative body of government responsible for the formulation of policy. The BCC appoints both the **County Attorney** and the **County Administrator**, who is responsible for implementing the BCC's policies.

These departments include functions ranging from Airport to Solid Waste, Animal Services to Emergency Medical Services, and Parks to Public Works. The FY17 Budget for the BCC departments is \$1.4B, an increase of \$57.9M or 4.3% over the FY16 Revised Budget. These functions represent 64.7% of the total County budget. A majority of the increase is reflected in special revenue, capital, and enterprise funds. Within the General Fund, BCC departments increased only \$2.0M or 1.1% over the FY16 Revised Budget.

Constitutional Officers include the Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The FY17 Budget for the Constitutional Officers is \$373.8M, an increase of \$49.9M or 15.4% over the FY16 Revised Budget. These functions represent 17.1% of the total County budget. The majority of this category is attributed to the Sheriff (\$282.5M operating). The increase is also primarily related to the Sheriff as this operating budget increased \$17.3M or 6.5% as a result of inflationary increases, an additional \$5.0M to purchase vehicles, and other additional priority needs as described above. Public Safety projects at the jail reflect a \$31.8M or 261.0% increase based on the project schedule associated with these detention improvement projects.

Independent and Support Funded Agencies in the County include the Construction Licensing Board, the East Lake Library Services District, the East Lake Recreation Services District, the Feather Sound Community Services District, the newly created Lealman Community Redevelopment Area, the Health Department, Human Resources, Medical Examiner, Office of Human Rights, Palm Harbor Community Services District, and Business Technology Services. The County also provides **Court Support** to the Judiciary, Public Defender, and State Attorney as specified in Article V of the Florida Constitution as well as funding certain local options.

The FY17 Budget for Court Support and Independent and Support Funded agencies is \$397.1M, an increase of \$19.5M or 5.2% over the FY16 Revised Budget. These functions represent 18.1% of the total County budget.

For additional insight into the FY17 Budget, including department and agency descriptions, budget analysis, and programmatic budgets and personnel counts, please see Sections C-H.

LEGISLATIVE IMPACTS

The budget of Pinellas County is not solely dependent on our local revenues. The State and Federal government can both impact the County budget through legislation, tax policy and the appropriations process. The BCC is engaged on an ongoing basis in the development and oversight of its federal and state legislative programs.

During the 2016 State Legislative Session, the County successfully secured appropriations for the Long Key/Upham Beach Groin Replacement as well as the Sand Key Segment Shore Protection project. These appropriations align with the BCC's legislative priority to support beach

nourishment funding. Overall beach nourishment funding increased by \$4 million this legislative session.

The longstanding Department of Juvenile Justice billing issue was finally resolved this session thanks to the hard work of members of the Pinellas County Delegation. Many counties in Florida, including Pinellas, had been in a dispute with the State over billing methodology and the repayment of past credits owed to the counties. This year a compromise bill sponsored by Senator Jack Latvala and Representative Chris Latvala changed the billing methodology to a 50-50 split of actual costs. As a result of the bill, all counties involved in lawsuits against the state have dropped those cases. Both the Department of Juvenile Justice and the Counties have agreed to a “clean slate” approach moving forward, where each entity will no longer pursue payment of credits or debits they believe are owed for bills prior to this fiscal year. This new methodology will provide cost savings to the County as well as predictability for budget planning purposes. It is estimated that the bill will save counties statewide approximately \$12 million in the next fiscal year.

A major discussion point during this year’s legislative session was state funding for economic development and film incentives. The Governor’s proposed budget included \$250 million for economic incentives. A bill filed by Senator Latvala would have funded the Governor’s Enterprise Fund at \$250 million and restored funding to the Film and Entertainment incentive program, however it did not pass. As a result, the film incentive program is currently not funded. Funding for film incentives is a legislative priority of the BCC and the County will continue to monitor legislation to revive the program at a state level.

A \$400 million tax cut package was included in the final budget. This amount was less than half of the Governor’s request. One element of the tax cut package provided for the permanent elimination of the manufacturing machinery and equipment sales tax. The legislature had previously repealed the tax for a period of three years, but the repeal was due to sunset this fiscal year. The tax cut package also includes a three-day “back to school” sales tax holiday. This sales tax holiday is shorter than others in recent years and is anticipated to have a fiscal impact approximately \$3.2 million to all counties statewide.

The State Housing Initiatives Partnership (SHIP) received \$135.5 million this legislative session. This amount is a 35% increase over the previous fiscal year. The funding increase will provide additional opportunities for the County to partner with community groups and implement strategic plan goals to Invest in communities that need the most (strategic plan goal 4.2) and Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing (2.4).

Multiple bills regarding mental and behavioral health were passed this legislative session. County staff will monitor how these reforms may impact the budget in future fiscal years.

On a Federal level, the County has been successful in securing multiple grants to assist in funding everything from airport improvements, to environmental projects and social services. The Bayside Health Clinic was completed this year and the entire cost of construction was grant funded. The County will continue to pursue and advocate for grant funding opportunities. In addition to grant funding, the County continues to advocate for clarifying language in the Water Resources Development Act of 2016 to ensure the continued authorization of our federal beach nourishment

projects, such as the Treasure Island project, and protect the funding partnership between the federal, state and county governments.

The County's Direct Component funding through the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act) will begin to become available for expenditure this year. The County will be funding four projects, two completed by County departments and two completed by the University of South Florida with currently available funds as outlined in the multiyear implementation plan approved by the BCC and accepted by the United States Treasury. Funding under the RESTORE Act will be paid out over at least the next 15 years and will provide additional opportunities to fund County projects and will be a platform for partnership. In addition to the Direct Component funds, the County will continue to pursue opportunities available under the other RESTORE Act components.

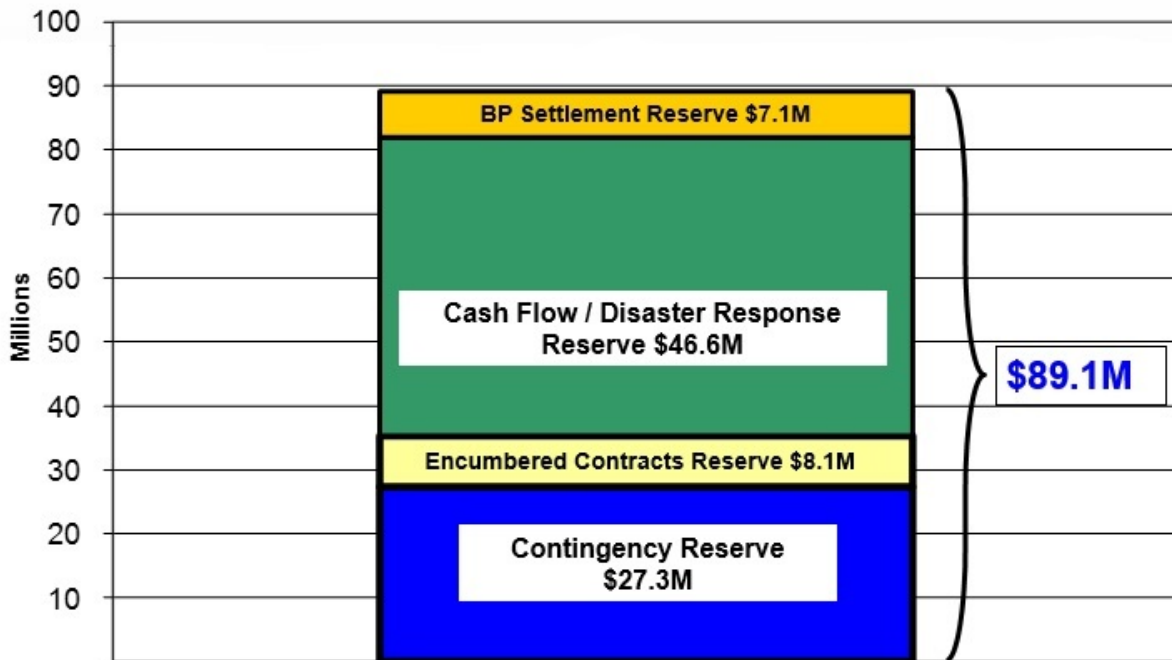
As we move forward, the County will keep a close eye on newly filed legislation and the ongoing appropriation process in both Tallahassee and Washington, D.C. In addition, the impact of the Department of Labor overtime classification rule, the reauthorization of the National Flood Insurance Program and ongoing litigation regarding the EPA Clean Power Plan and Waters of the United States regulations will be tracked for their impact on both the operations and budget of the County. Funding to combat the Zika virus may be available at both the state and federal level over the next year and County staff will continue to pursue all available resources. The County will also continue to monitor state mandated Florida Retirement System contribution rates and advocate for fair rates across all of the classifications that keeps the system as solvent as it is today. In addition to the legislative process, we will monitor any proposed state constitutional amendments that may impact property tax revenue.

FUND RESERVES

Reserves are not expenditures, but they are included in the budgeted total requirements for the fund. In order to be expended, the BCC must take formal action re-appropriating these funds.

Maintaining adequate reserves is key to the County's ability to deal with potential emergencies and unforeseen events such as commodity price hikes, unanticipated dips in revenues or a natural disaster. Having an adequate reserve also demonstrates stability to the financial markets. As Pinellas has the lowest general revenue debt of any major Florida county, this stability enhances our ability to raise capital through bonding at a lower cost if required in the future.

The FY17 General Fund budget includes projected year-end reserves of \$89.1M, or 16.3% of total revenues, which is consistent with the BCC policy target of 15%. The components of the General Fund reserves are Contingency, Encumbered Contracts, Cash Flow /Disaster Response, and BP Reserve.



Contingency Reserve

The Contingency Reserve, which is budgeted at \$27.3M in FY17, is an amount equal to 5% of resources to be used for unanticipated revenue shortfalls or expenditures. For example, fuel costs and electricity rate increases have been highly volatile and often exceed normal inflation. Another example is the need for accrued leave payouts due to unanticipated retirements.

Encumbered Contracts Reserve

During the year, at any given time there are purchase orders and service contracts that have been approved and are subject to payment as work is completed or goods delivered. The \$8.1M in the Encumbered Contracts Reserve for FY17 represents the average amount that was encumbered at month's end for the 12-month period ending May 2016.

Cash Flow / Disaster Response Reserve

During the first two months of the fiscal year, expenditures exceed revenues because most of the property tax revenue is not received until December. Property tax revenue represents about 69% of the total General Fund revenue. As a high hazard coastal county, Pinellas needs to have Disaster Response Reserve funds on hand in case of an emergency such as a hurricane or other man-made or natural disasters. Reimbursement from the Federal Emergency Management Agency (FEMA) and the State usually cover only a portion of the costs, is not available at the beginning of a disaster, and often is not received for many months or years. The FY17 amount

for the Cash Flow / Disaster Response reserve, \$46.6M, exceeds one-twelfth of all General Fund revenue budgeted for the fiscal year.

BP Reserve

On July 13, 2015, the Board of County Commissioners approved a settlement agreement with BP and others for claims resulting from the Deepwater Horizon Oil Spill. The \$7.1M received was deposited in the General Fund pending future BCC decisions on the use of these resources.

FY17 budgeted General Fund Reserves excluding the BP funds are \$82.0M, which is 15.0% of total revenues. It is estimated that the actual Ending Fund Balance for FY17 will be greater than the budgeted amount, which will result in reserves exceeding the target by the end of the fiscal year.

UNINCORPORATED AREA MUNICIPAL SERVICES TAXING UNIT (MSTU) BUDGET

The Municipal Services Taxing Unit (MSTU) is the part of the County budget that is devoted to providing services that are delivered to our unincorporated residents. These services, such as law enforcement and building permitting, are similar to those most cities provide. Florida Statutes require that MSTU services are provided "from funds derived from service charges, special assessments, or taxes within such unit only" {F.S. 125.01(1)(q)}. The Pinellas MSTU was established in 1975 and is codified as Chapter 114, Article X of the County Code.

The general operating revenue and expenditures for the MSTU funded primarily by property taxes are part of the County's General Fund. Two funds, the Building Services Fund and the Surface Water Utility Fund, are entirely devoted to unincorporated area programs. The budget presented below does not include all MSTU-related expenditures budgeted. Examples include traffic sign and signal maintenance and capital improvement expenditures such as Penny for Pinellas projects.

MSTU Revenues

MSTU Revenues consist of the following:

- Property Taxes: A millage rate is adopted by the Board of County Commissioners and collected in the unincorporated area to support MSTU services. The millage rate for FY17 is 2.0857 mills. This rate has remained the same since FY08. The tax base for the MSTU increased by 5.8% compared to FY16 due to increasing property values.
- Revenues Totally Generated by the MSTU: There are a number of County revenues that are totally generated by activity in the unincorporated area that have traditionally been credited to the Pinellas MSTU. In FY17, these revenues include: communications services taxes; fees for building permits, tree removal, lot clearing, and zoning; surface water utility fees; and mobile home licenses.

- Revenues Specifically Allowed by State Law: Chapter 218.64 of the Florida Statutes authorizes the County to allocate a portion of the One-Half Cent Sales Tax state shared revenue to the MSTU. Sales tax support for the MSTU is \$3.8M, which is based on the MSTU's percentage of total General Fund operating expenses.
- Other Revenues: Pinellas County has traditionally assigned a portion of other revenue sources to the MSTU, generally based on the ratio between the MSTU budget and the overall County General Fund budget. In FY17, those revenues include interest income and excess fees for the Tax Collector and Property Appraiser. These revenues are related to specific MSTU expenditures or to the other MSTU revenues previously identified.

Unlike many cities, the County does not impose utility taxes or franchise fees in unincorporated Pinellas. Most city residents pay up to a 10% utility tax and a 6% franchise fee on their electricity bills.

MSTU Expenditures

MSTU Expenditures include both direct and indirect costs and consist of the following activities:

- Sheriff's Office Law Enforcement: The Sheriff provides law enforcement services (road patrol) to the unincorporated area. The budget is determined by the Sheriff's Office based on an analysis of the resources (patrol officers, vehicles, etc.). The methodology for this allocation was reviewed and revised by an independent consultant in 2003. Historically, approximately one-third of the Sheriff's law enforcement activity is dedicated to the MSTU.
- Departments or Programs entirely dedicated to the MSTU: Several agencies are engaged in providing services exclusively to the unincorporated area. In the FY17 Budget, these activities are building inspection, development review services, code enforcement, surface water, and lot clearing.
- Departments or Programs partially dedicated to the MSTU: Departments whose services, and therefore costs, are allocated between countywide and MSTU activities include zoning services and Economic Incentive Grants for job creation.
- Activities associated with revenue collection: The budgets for the elected Property Appraiser and Tax Collector are determined by statutory formulas that spread their costs in proportion to the property tax and other revenue they are responsible for supporting. Their budgets are approved by the State Department of Revenue. At the end of the fiscal year, any charges in excess of what these agencies actually required to operate are returned in the same manner.
- The FY17 Proposed Budget for the MSTU includes several enhancements:
 - The Board of County Commissioners established a community redevelopment area (CRA) within Lealman to dedicate property tax value increases in this community to programs that will improve opportunities for residents and businesses. Supplemental funding to support activities in the redevelopment area is increased by \$50,000 in the FY17 Proposed Budget.

- Two additional positions are added in Environmental Code Enforcement to expedite response to neighborhood complaints. The goal is to reduce response times from the current average of 10 days. The anticipated reduction equates to approximately 1.5 days per full time code enforcement officer.

MSTU projects in the Capital Improvement Program (CIP) are not included in this summary except for the transfer from the General Fund to the CIP Fund to support MSTU Road Projects. Similarly, the budget for the new Lealman CRA is not included here as it is primarily for project expenses.

The following table summarizes the MSTU budget *:

| Program | Fund | FY16 Revised Budget | FY17 Budget |
|---|----------------------------|----------------------------|----------------------|
| Sheriff | General | 39,549,310 | 45,305,320 |
| Surface Water | Surface Water | 20,052,380 | 20,599,350 |
| Building Permits | Building Services | 5,559,720 | 6,080,130 |
| Development Review Services | General | 2,728,440 | 3,130,900 |
| Environmental Code Enforcement | General | 1,922,270 | 2,217,230 |
| Planning / Economic Development | General | 1,216,880 | 1,394,270 |
| Local Road Program | General & Capital Projects | 650,000 | 650,000 |
| MSTU Projects / Lealman CRA | General | 370,000 | 420,000 |
| Tax Collector & Property Appraiser Fees | General & Surface Water | 1,252,070 | 1,293,160 |
| Total | | \$ 73,301,070 | \$ 81,090,360 |

** Note: Budget does not include Reserves associated with General, Building Services, and Surface Water Utility funds.*

FUND FORECASTS UPDATE

The *Fund Forecasts Update* portion of the FY17 Budget Message describes the changes in the six-year forecasts for ten of the County's major funds:

- General Fund
- Tourist Development Council Fund
- Transportation Trust Fund
- Capital Projects Fund
- Emergency Medical Services Fund
- Airport Fund
- Water Funds
- Sewer Funds
- Solid Waste Funds
- Surface Water Fund

This section is presented in two parts:

- **Changes to Key Forecast Assumptions** discusses the most significant changes to the basic assumptions used in preparing the forecast as compared to the assumptions in the February document.
- **Updated Individual Fund Forecasts and Forecast Pro-Formas** summarizes the impact of the changes in assumptions and the proposed FY17 Budget on the long-term outlook for each fund, and presents the major assumptions and the revenue and expenditure forecast for the fund for the forecast period.

Changes to Key Forecast Assumptions

In February 2016, a comprehensive forecast for fiscal years 2017 through 2022 was presented to the Board of County Commissioners as an initial step in the FY17 budget preparation process. This document assessed the long-term financial health of the County's funds, and provided the context for making decisions in view of their impact on future revenues and expenditures.

As in February, the current consensus of leading economists anticipates continued slow growth and moderate inflation and does not include an economic downturn. We have not attempted to project significant future events such as recessions, oil embargos, or natural disasters.

In establishing revenue and expenditure assumptions, we reviewed data and forecasts from a variety of economists, government agencies, industry associations, and other sources. In particular, we referenced the State of Florida's Revenue Estimating Conferences. The State utilizes a professional, nonpartisan consensus process involving the Legislature, the

FUND FORECASTS UPDATE

Governor's Office, and the State's Division of Economic and Demographic Research in developing national and state economic forecasts that are used in all state planning and budgeting actions. The current Conference projections end at FY25. The projections are available online at <http://edr.state.fl.us/Content/conferences/index.cfm>

We also referenced federal agencies such as the Bureau of Labor Statistics, the Census Bureau, the Congressional Budget Office, and several Federal Reserve banks; as well as private research firms and educational institutions. County department and agency staff provided valuable input and review of the assumptions to help ensure that they are reasonable, consistent, and reflect the best judgment of those most familiar with the subject areas.

Revised Revenue Assumptions

Property Taxes – General Fund and Emergency Medical Services (EMS) Fund

County-wide taxable values in the General Fund increased by 3.4% in FY14, 6.2% in FY15, and 6.4% in FY16. The February forecast anticipated an increase in County-wide taxable values of 5.0% in FY17. The actual increase certified by the Property Appraiser for FY17 is 7.3% in the General Fund and 7.8% in the EMS Fund. The revised forecast maintains the assumption of annual tax base growth between 3.5% and 4.5% through FY22.

| Change in Taxable Values – Countywide – General Fund | | | | | | |
|--|-------------|------|------|------|------|------|
| | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 |
| Forecast | 5.0% | 4.5% | 4.0% | 3.5% | 3.5% | 3.5% |
| Budget | 7.3% | 4.5% | 4.0% | 3.5% | 3.5% | 3.5% |

| Change in Taxable Values – Countywide – EMS Fund | | | | | | |
|--|-------------|------|------|------|------|------|
| | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 |
| Forecast | 5.0% | 4.5% | 4.0% | 3.5% | 3.5% | 3.5% |
| Budget | 7.8% | 4.5% | 4.0% | 3.5% | 3.5% | 3.5% |

The General Fund unincorporated area (MSTU) taxable values had been projected to increase by 4.5% in FY17. The actual increase for FY17 is 5.8%. For the remainder of the forecast period, MSTU taxable values are projected to increase at a rate 0.5% lower than the countywide increase, the same assumption as the February forecast.

Other Fund-Specific Revenues

General Fund – Half-Cent Sales Tax and State Revenue Sharing

Sales tax revenues are highly elastic, increasing and falling with the health of the overall economy. Approximately one half cent of the State's six cent sales tax is shared with local governments. State Revenue Sharing, another intergovernmental source, is also primarily based on the State's sales tax revenue. The formula for Revenue Sharing is subject to adjustment by the Legislature. For both of these revenues, annual growth of 4.0% is projected from FY18 through FY22, which is unchanged from the February forecast.

FUND FORECASTS UPDATE

Tourist Development Council Fund - Tourist Development Taxes

Tourism is a key driver of the economy in Pinellas County. The County imposes a 6.0% tourist development tax (i.e. bed tax) on rents collected for temporary lodgings. The revenue, highly sensitive to general economic and other conditions, is driven by several factors, including the number of visitors, the length of stay, and the Average Daily Rate (ADR) that hotels are able to collect for rentals.

Tourist development tax (TDT) revenues have been steadily improving since Spring 2010 and have reached record levels for the past four years. With continued strong growth and the addition of the 6th percent of TDT effective January 2016, tax revenue for FY16 is projected to increase by 22.0% compared to FY15. Projected growth for FY17 has also been revised, while growth percentages for the remainder of the forecast period are unchanged.

| Change in Tourist Development Tax Revenue | | | | | | |
|---|------|------|------|------|------|------|
| | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 |
| Forecast | 4.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% |
| Budget | 6.4% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% |

Sales Taxes –Capital Projects Fund

The growth rate in the Capital Projects Fund for the Infrastructure Sales Tax (Penny for Pinellas) is generally slightly lower than the Half-Cent growth rate, because the Courts & Jail allocation is a fixed amount that does not grow over time, resulting in a slightly smaller growth rate for the County's overall share of the Penny.

Water and Sewer Funds –Service Fees

Projected growth in Water Service Fees, Sewer Service Fees, and Sewer – Reclaimed revenues reflect the second year of multi-year rate increases approved as part of the FY16 budget process.

Revised Expenditure Assumptions

Personal Services –All Funds

The cost of Personal Services (salaries and benefits) is generally the single largest category of expense for local governments. Personal Services costs for FY17 for each department or agency are based on position-by-position projections and reflect reorganizations, changes in the number of positions, vacancies, and other factors specific to each entity.

The February forecast anticipated annual growth in Personal Services costs in FY18 through FY22 between 4.3% and 4.4%. This is the net effect of anticipated wage adjustments and other factors such as changes in health insurance costs and State-mandated employer contributions to the Florida Retirement System (FRS). The assumptions for these forecast years have not changed.

FUND FORECASTS UPDATE

Each year, the Florida Legislature adopts the employer FRS contribution rates for the upcoming State Fiscal Year (SFY). As of June 2015, the FRS system was 86.5% funded. The February forecast anticipated that FRS rates would remain the same for State Fiscal Year (SFY) 17 - July 1, 2016 to June 30, 2017 - as for SFY16, since these rates were planned to fully fund the FRS system over time. The rates actually adopted by the Legislature for SFY17 were similar for the Regular Class rate (which applies to most County employees). However, the rate for the Special Risk category increased, which resulted in cost increases for sworn personnel in the Sheriff's budget. For future years, the forecast continues to assume that having reached a fully funded level, the FRS rates should stabilize.

Operating Expenses and Capital Outlay- All Funds

There have generally been no significant changes to projections for cost inflation by most economic information sources. The forecast continues to reflect Consumer Price Index (CPI) inflation adjustments of approximately 2.3% per year for non-specific expenditures. Other factors are used when warranted by analysis of historical trends and projected conditions. These factors are shown in the fund forecast pro-formas.

| Change in Consumer Price Index (CPI) | | | | |
|--------------------------------------|------|------|------|------|
| FY18 | FY19 | FY20 | FY21 | FY22 |
| 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |

Other Fund-Specific Expenditures

Capital Outlay – Enterprise Funds

The Water, Sewer, Solid Waste, and Airport capital outlay forecasts reflect the construction and purchase needs as estimated in the CIP ten-year work plan. The timing of projects in these funds has been revised as presented in the updated capital improvement work plan. The anticipated timing of related Federal and State grant revenue has also been adjusted accordingly.

Capital Improvement Program (CIP) Impact on Forecast Operating Funds

In addition to the projection of revenues and expenditures for implementation of projects reflected in the Capital Projects Fund forecast, the ongoing operations and maintenance costs resulting from these projects are considered as part of the process of preparing the multi-year Capital Improvement Program. These impacts have been updated to reflect the revised CIP.

Updated Individual Fund Forecasts and Forecast Pro-Formas

The following pages present the long-term outlook for each of the major funds. A description of the fund and a summary of the forecast are followed by the major assumptions and detailed revenue and expenditure forecast for the fund for the forecast period.

GENERAL FUND

Description

The General Fund includes the primary governmental functions of the County that are not completely supported by dedicated resources. These activities include, but are not limited to Sheriff's law enforcement, detention, and corrections; human services; emergency management and communications; parks and leisure services; and the operations of the Property Appraiser, Tax Collector, and Supervisor of Elections.

The General Fund includes operations for both county-wide functions and the unincorporated area. These segments are tracked separately within the fund. The unincorporated area is commonly referred to as the MSTU (Municipal Services Taxing Unit). MSTU expenditures are about 9.4% of the total (net of reserves).

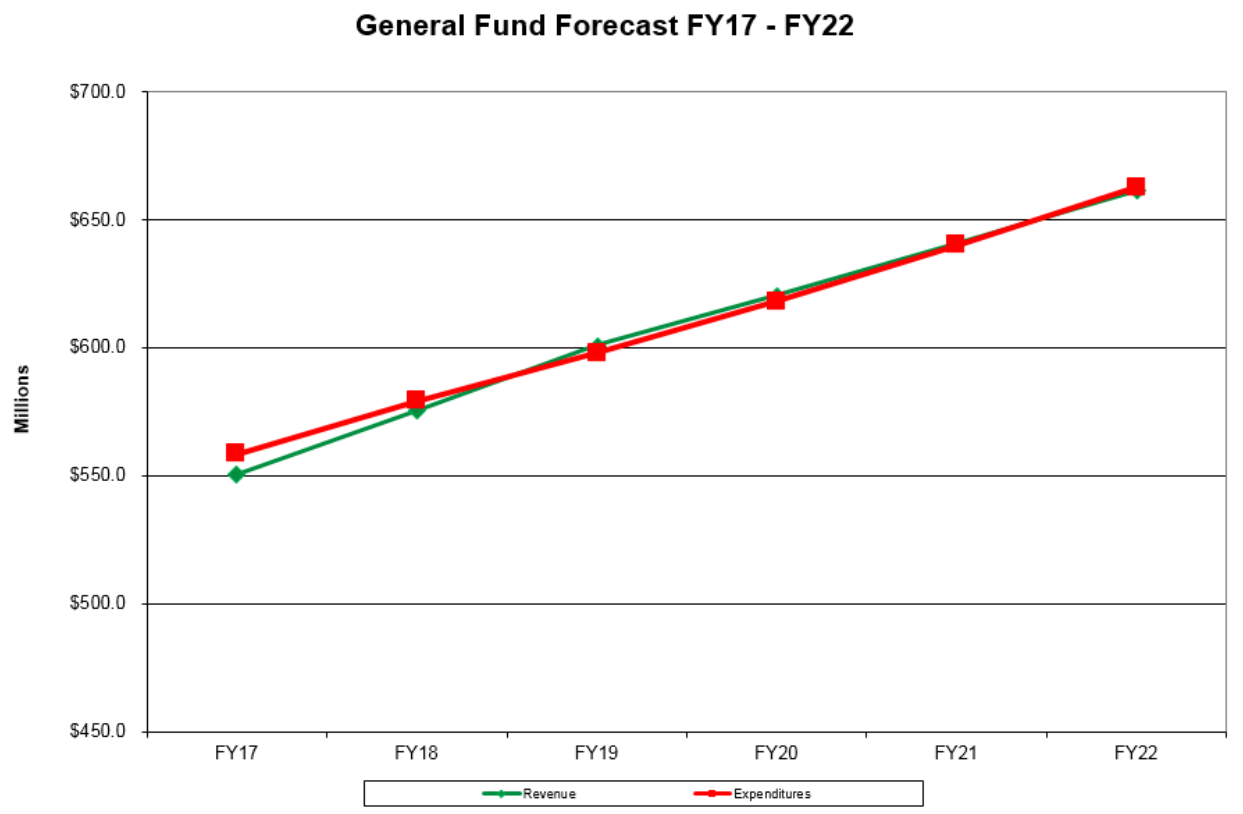
Summary

The General Fund encompasses the principal governmental activities of the County that are not primarily supported by dedicated revenues or by user fees. The four main revenue sources for the General Fund are Property Taxes, State Shared Half-Cent Sales Taxes, State Revenue Sharing, and Communications Services Taxes.

There has been one significant change to the General Fund forecast as presented in February 2016. At that time, taxable values were anticipated to increase by 5.0% county-wide and by 4.5% for the MSTU, in FY17. The actual increases certified by the Property Appraiser for the FY17 Budget are 7.4% for county-wide taxable values and 5.8% for MSTU taxable values. Since property taxes are about two-thirds of total General Fund revenue, this had a positive impact on the budget, and therefore the forecast.

The forecast projects that the General Fund is essentially balanced throughout the forecast period.

GENERAL FUND



TRANSPORTATION TRUST FUND FORECAST
Fund 1001

| Forecast Assumptions | FY18 | FY19 | FY20 | FY21 | FY22 |
|--|-------------|-------------|-------------|-------------|-------------|
| REVENUES | | | | | |
| Ninth Cent Fuel Tax | 0.8% | 0.7% | 0.7% | 0.6% | 0.6% |
| State Shared Fuel Taxes | 0.8% | 0.7% | 0.7% | 0.6% | 0.6% |
| Local Option Fuel Taxes | 0.8% | 0.7% | 0.7% | 0.6% | 0.6% |
| Other revenues | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| EXPENDITURES | | | | | |
| Personal Services | 4.4% | 4.3% | 4.3% | 4.3% | 4.3% |
| Operating Expenses | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Capital Outlay | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Grants & Aids | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Projected Economic Conditions / Indicators: | | | | | |
| Consumer Price Index, % change | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| FL Per Capita Personal Income Growth | 2.6% | 1.6% | 1.7% | 1.6% | 1.3% |

GENERAL FUND FORECAST Fund 0001

(in \$ millions)

| (in \$ millions) | Actual FY15 | Budget FY16 | FORECAST | | | | | | | |
|--|----------------|----------------|-------------------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | Estimated FY16 | Budget FY17 | Estimated FY17 | Estimated FY18 | Estimated FY19 | Estimated FY20 | Estimated FY21 | Estimated FY22 |
| BEGINNING FUND BALANCE ** | 116.9 | 120.4 | 127.2 | 113.3 | 113.3 | 91.6 | 86.1 | 87.6 | 89.7 | 90.6 |
| REVENUES | | | | | | | | | | |
| Property Taxes -Countywide | 304.5 | 319.2 | 322.6 | 342.2 | 342.2 | 357.6 | 371.9 | 384.9 | 398.4 | 412.3 |
| Property Taxes - MSTU | 30.3 | 31.3 | 31.6 | 33.0 | 33.0 | 34.3 | 35.5 | 36.6 | 37.7 | 38.8 |
| Half Cent Sales Tax | 43.1 | 44.9 | 44.9 | 46.9 | 46.9 | 48.8 | 50.8 | 52.8 | 54.9 | 57.1 |
| Revenue Sharing | 17.5 | 16.9 | 18.3 | 19.1 | 19.1 | 19.9 | 20.7 | 21.5 | 22.4 | 23.3 |
| Communications Svc Tax | 10.3 | 10.0 | 10.0 | 9.8 | 9.8 | 9.6 | 9.4 | 9.2 | 9.0 | 8.8 |
| Grants (fed/state/local) | 8.5 | 10.0 | 9.4 | 9.4 | 9.4 | 9.6 | 9.8 | 10.0 | 10.2 | 10.4 |
| Interest | 0.8 | 0.5 | 0.9 | 0.8 | 0.8 | 1.0 | 1.2 | 1.7 | 1.7 | 1.7 |
| Charges for Services | 71.1 | 74.5 | 73.1 | 73.3 | 73.3 | 78.4 | 80.4 | 82.5 | 84.6 | 86.9 |
| BP Settlement ** | 7.1 | - | - | - | - | - | - | - | - | - |
| Other revenues | 10.0 | 13.3 | 11.0 | 11.8 | 11.8 | 11.9 | 12.0 | 12.1 | 12.2 | 12.3 |
| Adjust Property Taxes to 96.0% | - | - | - | - | 3.9 | 4.1 | 4.3 | 4.4 | 4.6 | 4.7 |
| Adjust Major Revenue to 98.0% | - | - | - | - | - | - | 2.6 | 2.6 | 2.7 | 2.8 |
| Adjust Other Revenue to 97.0% | - | - | - | - | - | - | 2.2 | 2.2 | 2.3 | 2.3 |
| TOTAL REVENUES | 503.2 | 520.6 | 521.8 | 546.3 | 550.2 | 575.2 | 600.8 | 620.5 | 640.7 | 661.4 |
| % vs prior year | | | 3.7% | | 5.4% | 4.5% | 4.5% | 3.3% | 3.3% | 3.2% |
| TOTAL RESOURCES | 620.1 | 641.0 | 649.0 | 659.6 | 663.5 | 666.8 | 686.9 | 708.1 | 730.4 | 752.0 |
| EXPENDITURES | | | | | | | | | | |
| Personal Services | 67.5 | 79.0 | 75.7 | 82.0 | 82.0 | 85.6 | 89.3 | 93.1 | 97.1 | 101.3 |
| Operating Expenses | 111.3 | 120.9 | 118.4 | 122.4 | 122.4 | 122.2 | 124.5 | 127.2 | 131.2 | 135.3 |
| Capital Outlay | 1.5 | 3.1 | 2.5 | 3.2 | 3.2 | 3.3 | 3.4 | 3.5 | 3.6 | 3.7 |
| Grants & Aids | 15.1 | 20.3 | 20.7 | 24.8 | 24.8 | 25.9 | 26.8 | 27.8 | 28.8 | 29.8 |
| Transfers | 297.5 | 317.4 | 318.4 | 336.6 | 336.6 | 348.0 | 359.8 | 372.4 | 385.4 | 398.9 |
| BP Settlement Funds** | - | - | - | - | 7.1 | - | - | - | - | - |
| Expenditure Lapse 3.0% * | - | - | - | - | (5.7) | (5.8) | (6.0) | (6.1) | (6.3) | (6.5) |
| Non-recurring Transfers to CIP | - | - | - | 1.5 | 1.5 | 1.5 | 1.5 | 0.5 | - | - |
| TOTAL EXPENDITURES | 492.9 | 540.7 | 535.7 | 570.5 | 571.9 | 580.7 | 599.3 | 618.4 | 639.8 | 662.5 |
| % vs prior year | | | 8.7% | | 6.8% | 1.5% | 3.2% | 3.2% | 3.5% | 3.5% |
| ENDING FUND BALANCE | 127.2 | 100.3 | 113.3 | 89.1 | 91.6 | 86.1 | 87.6 | 89.7 | 90.6 | 89.5 |
| Ending balance as % of Revenue | 25.3% | 19.3% | 21.7% | 16.3% | 16.6% | 15.0% | 14.6% | 14.5% | 14.1% | 13.5% |
| TOTAL REQUIREMENTS | 620.1 | 641.0 | 649.0 | 659.6 | 663.5 | 666.8 | 686.9 | 708.1 | 730.4 | 752.0 |
| REVENUE minus EXPENDITURES (NOT cumulative) | 10.3 | (20.1) | (13.9) | (24.2) | (21.7) | (5.5) | 1.5 | 2.1 | 0.9 | (1.1) |
| note: non-recurring expenditures | 11.5 | 6.6 | 6.6 | 6.5 | 13.6 | 1.5 | 1.5 | 0.5 | - | - |
| net recurring rev- exp | 21.8 | (13.5) | (7.3) | (17.7) | (8.1) | (4.0) | 3.0 | 2.6 | 0.9 | (1.1) |

* Expenditure lapse is calculated on Personal Services, Operating Expenses, Capital Outlay, and Grants & Aids only.

** BP Settlement funds received in FY15 are included in FY17 Beginning Balance. They are shown as an expenditure in FY17, but actual use of these funds is dependent on future BCC action.

TOURIST DEVELOPMENT COUNCIL FUND

Description

The Tourist Development Council (TDC) Fund is a special revenue fund that accounts for the 6.0% Tourist Development Tax (TDT) on rents collected for temporary lodgings. Section 125.0104, Florida Statutes, was enacted by the State in 1977. The Board of County Commissioners (BCC) enacted an ordinance in 1978 to levy a 2.0% tax to promote tourism in Pinellas County; the tax was approved at a referendum held on October 5, 1978. In 1988, the ordinance was amended to increase the tax by an additional 1.0% with one-half of this amount earmarked to fund beach re-nourishment projects. In January 1996, an additional 1.0% was levied to provide additional funds for promotional activities, beach re-nourishment, and servicing debt on the County's obligation to the City of St. Petersburg's bonds for Tropicana Field. The BCC levied an additional 1.0% in December 2005 to provide funding for promotion and advertising. The most recent additional 1.0% of TDT was approved by the BCC on August 4, 2015 and went into effect January 1, 2016.

The Fund supports the Convention & Visitors Bureau, serving as Visit St. Pete/Clearwater, through the collection of the TDT, known as the 'bed tax.' The 'bed tax' is used to enhance the County's economy by increasing tourism and direct visitor expenditures through marketing, promoting, and supporting the destination.

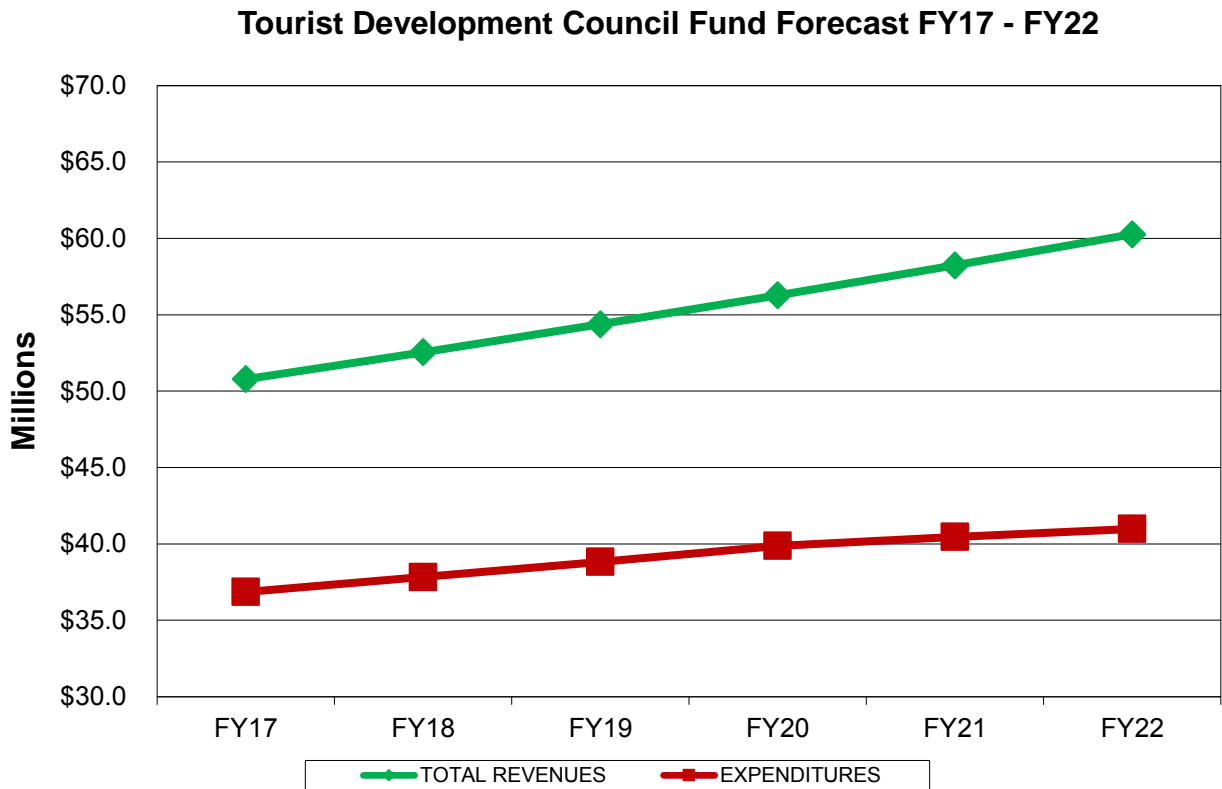
Summary

The Tourist Development Council Fund is primarily funded by the Tourist Development Tax revenue that is sensitive to general economic conditions. Tourist Development Tax revenue has been steadily improving since Spring 2010 and has seen record-setting revenue for the past four years. Tourist Development Tax revenue is estimated to grow by 22.0% in FY16 compared to FY15 as the sixth percent of TDT is added to the collection. Tourist Development Tax Revenue is projected to increase by 6.4% in FY17 and 3.5% annually from FY18 – FY22.

Expenditures are projected to decrease by 12.9% in FY16 as the County's obligation to debt service on Tropicana Field expired in FY15. Advertising expenditures are projected to increase by \$1.8M, or 14.3%, above FY15.

Revenues exceed expenditures during the forecast period, and adjustments will be made if revenues fail to meet expectations. The Fund maintains operating reserves above the 15.0% goal throughout the forecast period. Additional capital reserves are held within the Fund and can be used by the BCC to fund projects that will benefit the economy of Pinellas County and comply with allowable use of TDT.

TOURIST DEVELOPMENT COUNCIL FUND



TOURIST DEVELOPMENT COUNCIL FUND FORECAST
Fund 1040

| | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| Forecast Assumptions | FY18 | FY19 | FY20 | FY21 | FY22 |
| REVENUES | | | | | |
| Tourist Development Taxes | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% |
| Interest | 1.1% | 1.4% | 1.9% | 1.9% | 1.9% |
| Other revenues | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| EXPENDITURES | | | | | |
| Personal Services | 4.4% | 4.3% | 4.3% | 4.3% | 4.3% |
| Operating Expenses | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Advertising Expense | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Capital Outlay | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Projected Economic Conditions / Indicators: | | | | | |
| Consumer Price Index, % change | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| FL Per Capita Personal Income Growth | 2.8% | 2.8% | 2.8% | 2.8% | 1.3% |

TOURIST DEVELOPMENT COUNCIL FUND FORECAST
Fund 1040

(in \$ thousands)

| | Actual FY15 | Budget FY16 | Estimated FY16 | Budget FY17 | FORECAST (@100% Revenue) | | | | | |
|---|-----------------|-----------------|-------------------|-----------------|--------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | Estimated FY17 | Estimated FY18 | Estimated FY19 | Estimated FY20 | Estimated FY21 | Estimated FY22 |
| BEGINNING FUND BALANCE | 12,259.1 | 13,724.3 | 11,982.0 | 25,812.7 | 25,827.4 | 39,756.6 | 54,476.2 | 70,032.8 | 86,434.1 | 104,215.1 |
| REVENUES | | | | | | | | | | |
| Tourist Development Taxes @ 95.0% | 39,322.5 | 44,895.1 | 48,657.0 | 47,763.6 | 47,763.6 | 49,435.3 | 51,165.6 | 52,956.4 | 54,809.8 | 56,728.2 |
| Interest | 84.2 | 24.7 | 54.0 | 61.8 | 61.8 | 62.5 | 63.4 | 64.6 | 65.8 | 67.0 |
| Co-op Advertising Rev | 578.8 | | | | | | | | | |
| Other revenues | 382.0 | 449.5 | 544.8 | 422.5 | 422.5 | 422.5 | 431.0 | 439.6 | 448.4 | 457.3 |
| Adjust Tax Revenues to 100.0% | | | | | 2,513.9 | 2,601.9 | 2,692.9 | 2,787.2 | 2,884.7 | 2,985.7 |
| Adjust other Revenues to 100.0% | | | | | 25.5 | 26.0 | 26.5 | 27.0 | 27.6 | 28.1 |
| TOTAL REVENUES | 40,367.5 | 45,369.3 | 49,255.8 | 48,247.9 | 50,787.3 | 52,548.2 | 54,379.3 | 56,274.7 | 58,236.3 | 60,266.4 |
| % vs prior year | | 12.4% | 22.0% | 6.3% | 3.1% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% |
| TOTAL RESOURCES | 52,626.6 | 59,093.6 | 61,237.8 | 74,060.6 | 76,614.7 | 92,304.8 | 108,855.5 | 126,307.6 | 144,670.4 | 164,481.5 |
| EXPENDITURES | | | | | | | | | | |
| Personal Services | 3,340.9 | 4,254.4 | 4,044.6 | 4,544.5 | 4,544.5 | 4,744.5 | 4,948.5 | 5,161.3 | 5,383.2 | 5,614.7 |
| Operating Expenses | 11,065.3 | 10,979.8 | 11,087.0 | 14,935.1 | 14,935.1 | 15,278.6 | 15,630.0 | 16,005.1 | 16,389.3 | 16,782.6 |
| Advertising Expense | 12,646.3 | 12,449.0 | 14,450.8 | 11,668.4 | 11,668.4 | 11,936.8 | 12,211.3 | 12,504.4 | 12,804.5 | 13,111.8 |
| Capital Outlay - Operating | 27.1 | 9.1 | 20.5 | 22.5 | 22.5 | 23.3 | 24.1 | 24.9 | 25.8 | 26.7 |
| Transfer - General Fund (Pass-a-Grille & Bunces Pass Inlet Study) | | 300.0 | 300.0 | - | - | - | - | - | - | - |
| Transfer - Tax Collector | 497.4 | 571.5 | 571.5 | 601.5 | 619.5 | 638.1 | 657.3 | 677.0 | 697.3 | 718.2 |
| Transfer - Beach Renourishment | 4,413.5 | 3,550.4 | 3,550.4 | 3,980.3 | 3,980.3 | 4,119.6 | 4,263.8 | 4,413.0 | 4,567.5 | 4,727.3 |
| Capital Outlay - Dali Museum | | 500.0 | 500.0 | 500.0 | 500.0 | 500.0 | 500.0 | 500.0 | - | - |
| Capital Outlay - Tropicana Field & Spring Training Facilities | 8,654.1 | 885.6 | 885.6 | 587.7 | 587.7 | 587.7 | 587.7 | 587.7 | 587.7 | - |
| EXPENDITURES | 40,644.6 | 33,499.8 | 35,410.4 | 36,840.0 | 36,858.0 | 37,828.6 | 38,822.7 | 39,873.4 | 40,455.3 | 40,981.4 |
| % vs prior year | | -17.6% | -12.9% | 10.0% | 4.1% | 2.6% | 2.6% | 2.7% | 1.5% | 1.3% |
| ENDING FUND BALANCE | 11,982.0 | 25,593.8 | 25,827.4 | 37,220.6 | 39,756.6 | 54,476.2 | 70,032.8 | 86,434.1 | 104,215.1 | 123,500.2 |
| Ending balance as % of Revenue | 29.7% | 56.4% | 52.4% | 77.1% | 78.3% | 103.7% | 128.8% | 153.6% | 179.0% | 204.9% |
| TOTAL REQUIREMENTS | 52,626.6 | 59,093.6 | | 74,060.6 | 76,614.7 | 92,304.8 | 108,855.5 | 126,307.6 | 144,670.4 | 164,481.5 |
| REVENUE minus EXPENDITURES (NOT cumulative) | (277.1) | 11,869.5 | | 11,407.9 | 13,929.2 | 14,719.6 | 15,556.6 | 16,401.3 | 17,781.0 | 19,285.0 |

1) The Transfer for Beach Renourishment in FY15 reflects an additional amount due based on reconciled actual tax collections versus budget in prior years. The FY16 amount returns to the base annual transfer of 1/2 of one percent from the estimated collections.

2) The significant reduction in Debt Service in FY16 & FY17 reflects the end of Tropicana Field (FY15) and Dunedin Spring Training Facility (FY16) payments.

3) The Transfer for Tax Collector services in FY17 reflects a recovery formula based on actual annual cost. It increases 3.0% per year in the forecast for anticipated increases in future personal services and operating expenses.

TRANSPORTATION TRUST FUND

Description

The County Transportation Trust Fund is a special revenue fund required by Florida Statute 336.022 to account for revenues and expenditures used for the operation and maintenance of transportation facilities and associated drainage infrastructure. Activities include road and right-of-way maintenance (e.g., patching, mowing), bridge maintenance and operation, traffic engineering, traffic signal operation including Intelligent Transportation Systems (ITS), traffic control signage and striping, sidewalk repair and construction, and maintenance of ditches, culverts and other drainage facilities. Resources to support these activities are provided from fuel taxes collected and distributed on a shared basis to all Florida Counties by the State of Florida, and local option fuel taxes levied by the County.

Two local option taxes have been imposed by the Board of County Commissioners. The first is a one cent levy (as specified by Section 336.021, Florida Statutes as the “Ninth Cent”) that began January 2007. It is dedicated to the installation, operation, and maintenance of advanced technological traffic signal and messaging systems (ITS). The other local levy is the Six Cent Local Option Fuel Tax (LOFT) per gallon tax that is shared by interlocal agreement between the County and all municipalities within Pinellas County. The County’s share of collections is 60.0% of total receipts, and the municipalities receive portions of the remaining 40.0%. On December 15, 2015, the Board voted to extend the six cent levy and the interlocal agreement until December 31, 2027.

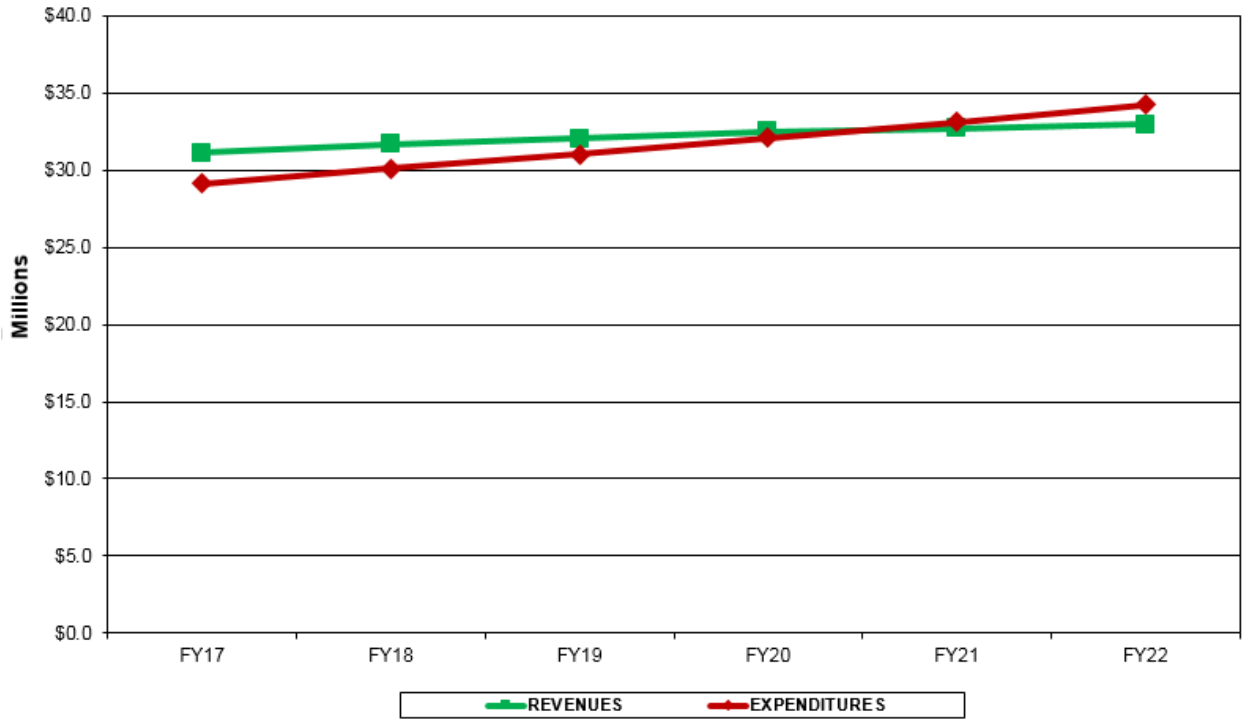
Summary

The Transportation Trust Fund is primarily funded by state and local fuel taxes. Revenue is projected to show a gradual incline but not at the same rate as inflationary increases for expenditures in this fund. This reflects the built out nature of Pinellas County, more efficient cars and fuel conservation efforts, as well as restrictions imposed by State law that does not allow indexing fuel taxes for inflation.

The forecast for the Transportation Trust Fund indicates that expenditures exceed revenues beginning in FY21. Fund balance is used each year to offset any variance in the fund.

TRANSPORTATION TRUST FUND

Transportation Trust Fund Forecast FY17 - FY22



TRANSPORTATION TRUST FUND FORECAST
Fund 1001

| Forecast Assumptions | FY18 | FY19 | FY20 | FY21 | FY22 |
|--|-------------|-------------|-------------|-------------|-------------|
| REVENUES | | | | | |
| Ninth Cent Fuel Tax | 0.8% | 0.7% | 0.7% | 0.6% | 0.6% |
| State Shared Fuel Taxes | 0.8% | 0.7% | 0.7% | 0.6% | 0.6% |
| Local Option Fuel Taxes | 0.8% | 0.7% | 0.7% | 0.6% | 0.6% |
| Other revenues | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| EXPENDITURES | | | | | |
| Personal Services | 4.4% | 4.3% | 4.3% | 4.3% | 4.3% |
| Operating Expenses | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Capital Outlay | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Grants & Aids | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Projected Economic Conditions / Indicators: | | | | | |
| Consumer Price Index, % change | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| FL Per Capita Personal Income Growth | 2.6% | 1.6% | 1.7% | 1.6% | 1.3% |

TRANSPORTATION TRUST FUND FORECAST
Fund 1001

(in \$ thousands)

| | Actual FY15 | Budget FY16 | Estimated FY16 | Budget FY17 | FORECAST (@100%) | | | | | |
|---|-----------------|------------------|-------------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | Estimated FY17 | Estimated FY18 | Estimated FY19 | Estimated FY20 | Estimated FY21 | Estimated FY22 |
| BEGINNING FUND BALANCE | 25,818.4 | 28,370.8 | 29,185.7 | 29,694.6 | 30,086.9 | 32,077.2 | 33,673.0 | 34,682.4 | 35,110.1 | 34,717.6 |
| REVENUES | | | | | | | | | | |
| Ninth Cent Fuel Tax @ 95% | 4,007.5 | 3,559.3 | 4,178.5 | 4,009.2 | 4,009.2 | 4,041.3 | 4,069.6 | 4,098.1 | 4,122.6 | 4,147.4 |
| State Shared Fuel Taxes @ 95% | 10,111.4 | 8,980.0 | 10,393.3 | 9,972.3 | 9,972.3 | 10,052.1 | 10,122.5 | 10,193.3 | 10,254.5 | 10,316.0 |
| Local Option Fuel Tax @ 95% *** | 13,363.8 | 11,760.4 | 13,950.6 | 13,385.6 | 13,385.6 | 13,492.7 | 13,587.1 | 13,682.2 | 13,764.3 | 13,846.9 |
| Interest | 110.6 | 80.5 | 137.7 | 97.7 | 97.7 | 352.8 | 471.4 | 659.0 | 667.1 | 659.6 |
| Other revenues | 2,004.4 | 1,701.9 | 2,133.9 | 2,172.6 | 2,172.6 | 2,216.0 | 2,260.3 | 2,305.5 | 2,351.7 | 2,398.7 |
| Adjust Fuel Taxes to 100% | | | | 1,440.4 | 1,440.4 | 1,451.9 | 1,462.1 | 1,472.3 | 1,481.1 | 1,490.0 |
| Adjust Other Revenue to 98.0% | | | | 71.7 | 71.7 | 81.1 | 86.3 | 93.6 | 95.3 | 96.6 |
| TOTAL REVENUES | 29,597.7 | 26,082.0 | 30,793.9 | 29,637.4 | 31,149.5 | 31,687.9 | 32,059.2 | 32,504.0 | 32,736.6 | 32,955.2 |
| % vs prior year | | -11.9% | 4.0% | 13.6% | 1.2% | 1.7% | 1.2% | 1.4% | 0.7% | 0.7% |
| TOTAL RESOURCES | 55,416.1 | 54,452.8 | 59,979.7 | 59,332.0 | 61,236.3 | 63,765.1 | 65,732.3 | 67,186.4 | 67,846.8 | 67,672.8 |
| EXPENDITURES | | | | | | | | | | |
| Personal Services | 11,337.0 | 12,263.9 | 11,807.8 | 13,983.2 | 13,983.2 | 14,598.5 | 15,226.2 | 15,880.9 | 16,563.8 | 17,276.0 |
| Operating Expenses * | 10,504.3 | 14,699.5 | 13,516.0 | 12,448.0 | 12,448.0 | 12,734.3 | 13,027.2 | 13,339.8 | 13,660.0 | 13,987.8 |
| Capital Outlay | 565.2 | 311.9 | 471.7 | 682.5 | 682.5 | 698.1 | 714.2 | 731.3 | 748.9 | 766.9 |
| Grants & Aids | 35.4 | 34.0 | 34.0 | 35.1 | 35.1 | 35.9 | 36.7 | 37.6 | 38.5 | 39.4 |
| Full Cost Allocation | 2,004.4 | 2,701.7 | 2,701.7 | 2,096.4 | 2,096.4 | 2,119.5 | 2,149.2 | 2,190.0 | 2,231.6 | 2,274.0 |
| Transfers to Capital Funds | 1,784.2 | 1,753.9 | 1,753.9 | 1,598.6 | 1,598.6 | 1,534.1 | 1,469.4 | 1,402.4 | 1,325.5 | 1,246.0 |
| Expenditure Lapse 1.0% ** | | | | (271.5) | (271.5) | (280.7) | (290.0) | (299.9) | (310.1) | (320.7) |
| CIP Operating Impacts | | | | 185.5 | 185.5 | 186.5 | 186.5 | 196.5 | 196.5 | 196.5 |
| TOTAL EXPENDITURES | 26,230.4 | 31,764.9 | 30,285.0 | 29,245.1 | 29,159.1 | 30,092.1 | 31,049.9 | 32,076.3 | 33,129.1 | 34,219.9 |
| % vs prior year | | 21.1% | 15.5% | 11.5% | -3.7% | 3.2% | 3.2% | 3.3% | 3.3% | 3.3% |
| ENDING FUND BALANCE | 29,185.7 | 22,688.0 | 29,694.6 | 30,086.9 | 32,077.2 | 33,673.0 | 34,682.4 | 35,110.1 | 34,717.6 | 33,452.9 |
| ASSUMING NO ACTION TAKEN TO RESOLVE SHORTFALLS | | | | | | | | | | |
| Ending balance as % of Revenue | 98.6% | 87.0% | 96.4% | 101.5% | 103.0% | 106.3% | 108.2% | 108.0% | 106.1% | 101.5% |
| TOTAL REQUIREMENTS | 55,416.1 | 54,452.8 | 59,979.7 | 59,332.0 | 61,236.3 | 63,765.1 | 65,732.3 | 67,186.4 | 67,846.8 | 67,672.8 |
| REVENUE minus EXPENDITURES (NOT cumulative) | 3,367.3 | (5,682.9) | 508.9 | 392.3 | 1,990.3 | 1,595.8 | 1,009.3 | 427.8 | (392.5) | (1,264.7) |
| note: non-recurring expenditures | - | | | - | - | - | - | - | - | - |
| net recurring rev- exp | 3,367.3 | (5,682.9) | 508.9 | 392.3 | 1,990.3 | 1,595.8 | 1,009.3 | 427.8 | (392.5) | (1,264.7) |

* Operating Expenses net of Full Cost Allocation

** Expenditure lapse is calculated on Personal Services, Operating Expenses, Capital Outlay, and Grants & Aids only.

*** Local Option Fuel Tax extended to December 31, 2027.

CAPITAL PROJECTS FUND

Description

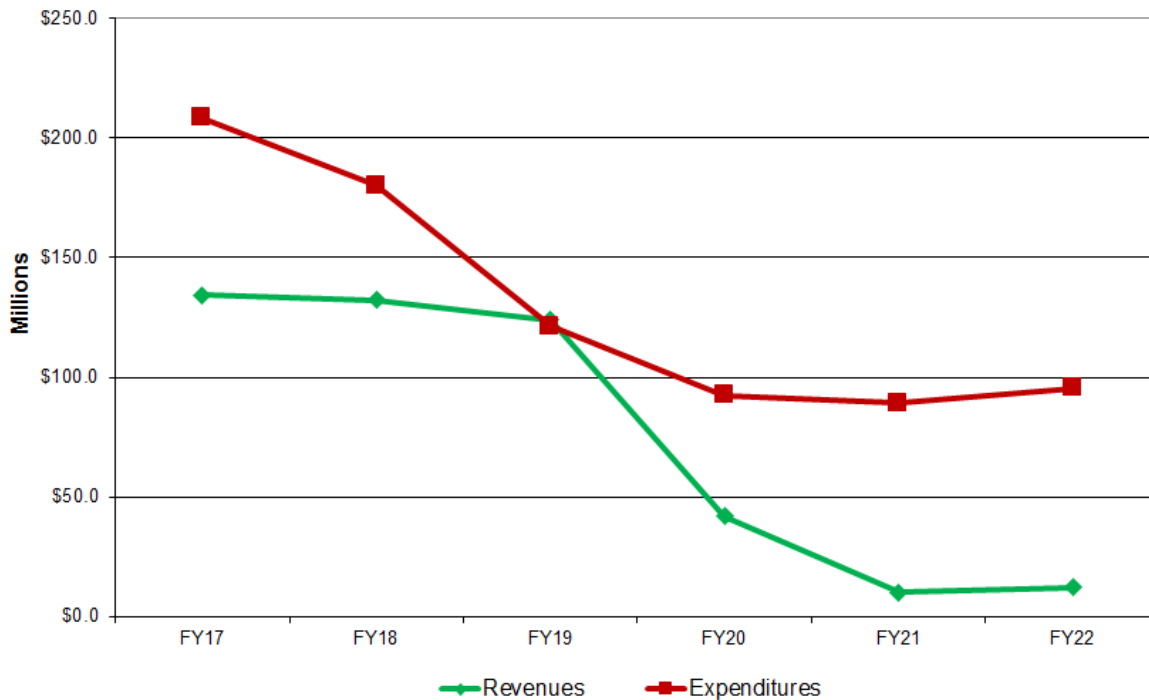
The Capital Projects Fund is used to account for all governmental capital projects throughout the County. Such projects include roads, bridges, drainage, beach nourishment, park development, and construction of facilities necessary to provide County services.

Summary

This Fund's primary revenue source is the "Penny for Pinellas" one-cent local option sales tax that is sensitive to general economic conditions. Penny tax revenues declined for several years instead of increasing at the original projected rate due to the Great Recession, but are predicted to increase gradually during the forecast period, matching general economic growth as part of the recovery in the local, state, and national economy. The Penny revenue is projected to increase by 4.5% in FY17, 4.0% in FY18, and 3.5% annually in FY19-FY20.

With the planned use of fund balance, the forecast for the Capital Projects Fund shows that the Fund is balanced over the forecast period through FY20. The current "Penny for Pinellas" one-cent local option sales tax ends December 31, 2019. Projects that would need to continue such as sidewalks, paving, and bridges are shown in the forecast as "unfunded" for FY20 – FY22. This is a preliminary estimate of projects that would require a funding source whether the Penny is renewed or not. During several years of the forecast, expenditures exceed revenues due to project schedules. In prior years, the forecast included an interfund loan from the Solid Waste Renewal & Replacement Fund to provide the cash flow required to fund projects. The loan will no longer be needed as the fund balance and projected annual revenues will be sufficient to fund the scheduled projects.

Capital Projects Fund Forecast FY17 - FY22



CAPITAL PROJECTS FUND FORECAST
Fund 3001

| | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| Forecast Assumptions | FY18 | FY19 | FY20 | FY21 | FY22 |
| REVENUES | | | | | |
| Infrastructure Sales Tax | 4.0% | 3.5% | 3.5% | | |
| Transfer from TDC Fund | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% |
| Interest Rate | 1.1% | 1.4% | 1.9% | 1.9% | 1.9% |
| Other revenues | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| Projected Economic Conditions / Indicators: | | | | | |
| Consumer Price Index, % change | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| | | | | | |

CAPITAL PROJECTS FUND FORECAST

Fund 3001

(in \$ thousands)

| | Actual FY15 | Budget FY16 | Estimated FY16 | Budget FY17 | Estimated FY17 | Estimated FY18 | Estimated FY19 | Estimated FY20 | Estimated FY21 | Estimated FY22 |
|--|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| BEGINNING FUND BALANCE | 74,976.1 | 75,038.2 | 102,007.3 | 127,992.9 | 127,992.9 | 53,930.4 | 6,279.3 | 8,916.8 | (41,750.6) | (120,626.6) |
| REVENUES | | | | | | | | | | |
| Infrastructure Sales Tax (Penny for Pinellas) | 89,531.2 | 89,650.6 | 94,008.0 | 93,326.5 | 98,238.4 | 102,167.9 | 105,743.8 | 27,361.2 | - | - |
| Grants | 3,691.8 | 25,689.2 | 12,082.5 | 23,005.0 | 23,005.0 | 19,981.8 | 8,172.5 | 4,649.0 | 1,600.8 | 3,475.0 |
| Ninth Cent Gas Tax (Transfer from Transportation Trust Fund) | 1,784.2 | 1,753.9 | 1,753.9 | 1,598.6 | 1,598.6 | 1,534.1 | 1,469.4 | 1,402.4 | 1,325.5 | 1,246.0 |
| Transportation Impact Fees (from Special Revenue Fund) | 1,594.2 | 1,535.6 | 1,535.6 | 3,600.0 | 3,600.0 | | | | | |
| Multi-Modal Impact Fees | | | | | | 1,535.6 | 1,535.6 | 1,535.6 | 1,535.6 | 1,535.6 |
| Transfer from General Fund | 877.3 | - | - | 2,650.0 | 2,650.0 | 2,150.0 | 2,150.0 | 2,230.4 | 650.0 | 650.0 |
| Transfer from TDC Fund | 4,413.5 | 3,550.4 | 3,550.4 | 3,980.3 | 3,980.3 | 4,119.6 | 4,263.8 | 4,413.0 | 4,567.5 | 4,727.3 |
| Sale-Surplus County Land | - | 950.0 | - | - | - | - | - | - | - | - |
| Interest @ 95% | 437.7 | 276.5 | 764.8 | 586.7 | 604.9 | 314.6 | 101.1 | (296.3) | 0.0 | 0.0 |
| Interest Adjusted to 97% | | | 16.1 | | 12.7 | 6.6 | 2.1 | (6.2) | - | - |
| Other revenues | 1,295.1 | 7.7 | 511.5 | 495.6 | 521.7 | 532.1 | 542.8 | 553.6 | 564.7 | 576.0 |
| Interfund Loan-Solid Waste | - | | | - | - | - | - | - | - | - |
| TOTAL REVENUES | 103,625.0 | 123,413.9 | 114,222.8 | 129,242.7 | 134,211.6 | 132,342.4 | 123,981.1 | 41,842.7 | 10,244.1 | 12,209.9 |
| % vs prior year | | 19% | 10.2% | 4.7% | 17.5% | -1.4% | -6.3% | -66.3% | -75.5% | 19.2% |
| TOTAL RESOURCES | 178,601.1 | 198,452.1 | 216,230.1 | 231,250.0 | 262,204.5 | 186,272.8 | 130,260.4 | 50,759.5 | (31,506.5) | (108,416.7) |
| EXPENDITURES | | | | | | | | | | |
| Capital Projects | 61,593.8 | 147,060.5 | 88,187.2 | 203,274.1 | 203,274.1 | 179,993.5 | 121,343.6 | 46,374.8 | 10,610.1 | 14,176.0 |
| Transfer to General Fund | | 50.0 | 50.0 | 5,000.0 | 5,000.0 | | | | | |
| Unfunded | - | - | | - | - | - | - | 46,135.3 | 78,510.0 | 81,135.0 |
| Debt Service on Interfund Loan | - | - | | - | | | | | - | - |
| Payment on SW Loan | 15,000.0 | - | | - | | | | | - | - |
| TOTAL EXPENDITURES | 76,593.8 | 147,110.5 | 88,237.2 | 208,274.1 | 208,274.1 | 179,993.5 | 121,343.6 | 92,510.1 | 89,120.1 | 95,311.0 |
| % vs prior year | | 92.1% | 15.2% | 41.6% | 136.0% | -15.7% | -48.3% | -31.2% | -3.8% | 6.5% |
| ENDING FUND BALANCE | 102,007.3 | 51,341.6 | 127,992.9 | 22,975.9 | 53,930.4 | 6,279.3 | 8,916.8 | (41,750.6) | (120,626.6) | (203,727.7) |
| Ending balance as % of Resources | 57.1% | 25.9% | 59.2% | 9.9% | 20.6% | 3.4% | 6.8% | -82.3% | 382.9% | 187.9% |
| TOTAL REQUIREMENTS | 178,601.1 | 198,452.1 | 216,230.1 | 231,250.0 | 262,204.5 | 186,272.8 | 130,260.4 | 50,759.5 | (31,506.5) | (108,416.7) |
| REVENUE minus EXPENDITURES (NOT cumulative) | 27,031.2 | (23,696.6) | 25,985.6 | (79,031.4) | (74,062.5) | (47,651.1) | 2,637.5 | (50,667.4) | (78,876.0) | (83,101.1) |
| net recurring rev- exp | 27,031.2 | (23,696.6) | 25,985.6 | (79,031.4) | (74,062.5) | (47,651.1) | 2,637.5 | (50,667.4) | (78,876.0) | (83,101.1) |

Note: Current Penny ends December 31, 2019. Projects that would need to continue such as sidewalks, paving, bridges, etc. are shown as "unfunded" for the out years.



EMERGENCY MEDICAL SERVICE FUND

Description

The Emergency Medical Service (EMS) Fund is a special revenue fund established by referendum in 1980, which allows up to 1.5 mills to be levied annually on a county-wide basis to finance the operation of a comprehensive county-wide emergency medical service system. This system provides advanced life support, emergency medical response, and transport services to all residents and visitors of Pinellas County. The County maintains EMS contracts with 18 fire service agencies (first responders) and one ambulance provider (Paramedics Plus, operating in Pinellas County under the trade name "Sunstar"). The EMS System is funded by a combination of property taxes and ambulance user fees. The ambulance user fees support the ambulance contractual expenditures and property taxes support the first responder expenditures.

The EMS System was established by referendum in 1980 by the Special Act (Chapter 80-585, Laws of Florida) that created the EMS Authority as a Dependent Special District. In 1988, Pinellas County Ordinance 88-12 solidified the current EMS system design. The Fiscal Policy guidelines within Ordinance 88-12 state that the Board of County Commissioners, sitting as the Emergency Medical Services Authority, directs the following fiscal policy guidelines that govern the financial operations of the County's EMS system: (a) to establish sound business controls and long term cost containment incentives throughout the County EMS system; (b) to provide adequate funding to upgrade all EMS components to state-of-the-art-levels, and to maintain that progress in future years; (c) to provide for long term financial stability sufficient to sustain quality EMS operations far into the future; (d) to reduce the County EMS system's excessive dependence upon local tax support by developing a more balanced approach to EMS funding; and (e) to provide the Board of County Commissioners with a wider range of EMS financing options than have been available in the past.

Summary

The EMS Fund is sensitive to property values as it is funded by ad valorem (property) tax revenue collected from property owners countywide and ambulance user fee revenues. While the millage rate remained flat at 0.5832 from FY08 through FY11, and property values dropped, annual property tax revenue fell from \$42.6M to \$30.6M. Increasing deficits were covered with fund balance until accumulated reserves dropped to 25.0% in FY11. Board adopted policy reduced the target level for reserves from 33.0% to 25.0% in December 2011. With property values still falling, the millage rate was increased to 0.8506 in FY12 and to 0.9158 in FY13. Revenue increased enough to meet expenses and maintain the EMS Fund's reserve above the 25.0% target. Since FY13, the millage rate has remained at 0.9158. Property values rose from FY14 through FY16, and with continued economic recovery, property tax revenue is projected to increase 7.7% in FY17.

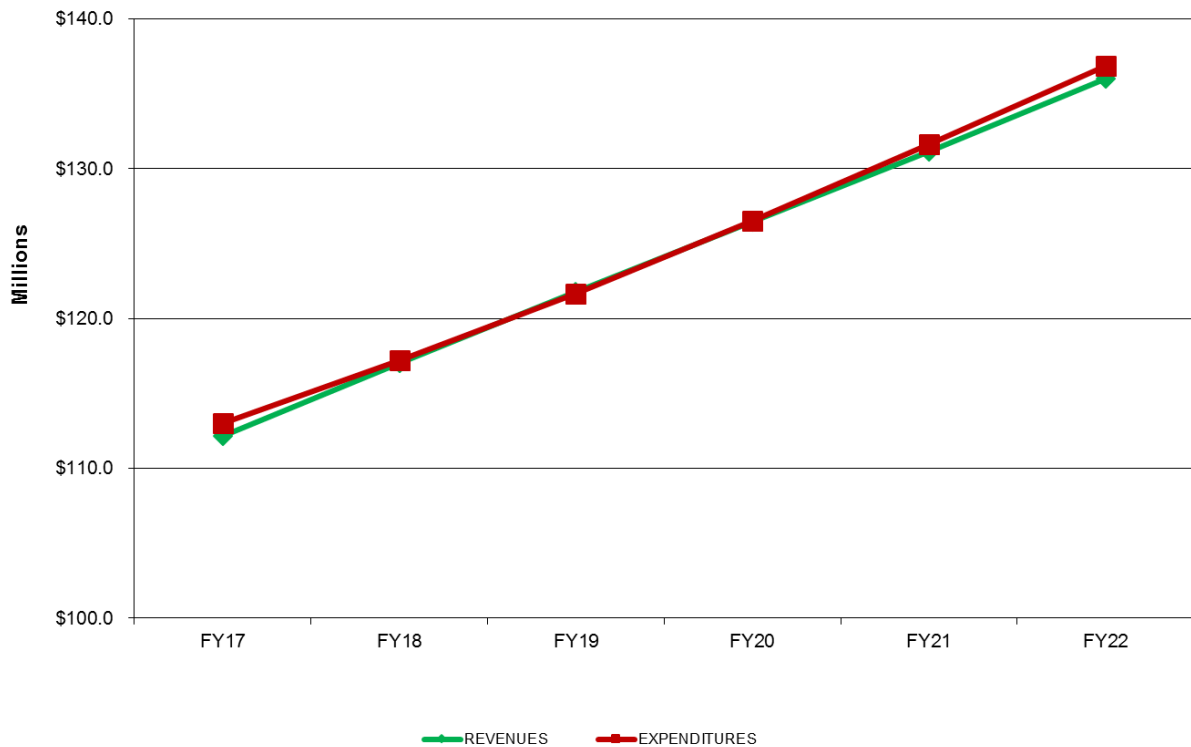
The forecast for the EMS Fund indicates the fund is not balanced throughout the forecast period. The current millage of 0.9158 is projected to support the current service delivery system and allow the fund to remain above the Board adopted reserve target of 25.0% through FY20 and decreases to 22.4% by FY22. The potential for maintaining the 25.0% reserve without a future millage rate increase will be affected by: the ambulance service contract; changes in property values; potential changes to Medicare/Medicaid reimbursements; and adjustments in future service agreements with the first responders.

First responder contracts are currently funded based on actual first responder costs as defined in Board Resolution 09-38. Projected expenses for FY17 reflect the current negotiated agreements

EMERGENCY MEDICAL SERVICE FUND

with the 18 providers. For FY18 and FY19, this forecast projects first responder expense growth at 3.8%, reflecting the assumption for annual growth in the Tampa Bay Regional CPI (2.8%) plus a potential additional 1.0% for qualified expenses. The forecast projects adjustments for first responder agreements at 4.4% from FY20 through FY22. The County negotiated a new ambulance service contract with Paramedics Plus for a 5-year term beginning FY16. Over the past two years, progress in containing costs, combined with better than anticipated growth in revenue, improved the outlook for the EMS Fund. Long term sustainability will require continued growth in revenue and diligent management of system costs.

Emergency Medical Services Fund Forecast FY17 - FY22



AIRPORT FUND

Description

In March 1941 construction started for the St. Pete-Clearwater International Airport at its present site. After Pearl Harbor, the Airport, known as the Pinellas Army Airfield, was used as a military flight-training base. After World War II, many army airfields were declared surplus and turned over to cities, counties, and state sponsors to manage. The Pinellas Army Airfield property was granted to Pinellas County in 1946 by the U.S. Government to operate as a commercial airport. It was originally called the Pinellas International Airport, and given the airport call letters, PIE.

The Airport Revenue and Operating Fund is used to account for the self-supporting operations of the Airport. Of the Airport's 2,000 acres, approximately half is dedicated to the airfield, terminal building, and car parking. The remaining acreage includes the 129 acre future planned development site (formerly the Airco Golf course), a 200 acre Airport Business Center, and leased industrial, commercial, and governmental operations. All of the Airport property is designated as a Foreign Trade Zone. All activities necessary for airport operations (e.g. administration, operating, and maintenance expenses) are included in this fund. Also included are airport capital improvements, which typically receive federal and state grant funding of up to 95.0% of costs, depending on the type of project, with some projects funded 100.0% with Passenger Facility Charges.

The St. Pete - Clearwater International Airport in 2015 successfully passed its annual Federal Aviation Administration (FAA) Safety and Certification Inspection with no discrepancies, marking its 11th consecutive year without a single deficiency. The Airport has hosted Honor Flights with the support of Allegiant Airlines since 2011, and hosted four flights in 2015. Veteran Honor Flights recognize American veterans for their sacrifices and achievements by flying them to Washington, D.C. to see the appropriate war memorial at no cost to the veteran.

The Airport realized a 32.0% increase in airline passengers in 2015, by serving 1,645,402 passengers in the calendar year. Allegiant Airlines continues to be the Airport's largest airline, representing 95.5% of passengers served. The airline added twelve new cities in 2015. Allegiant now flies non-stop from the Airport to 50 destinations. Other commercial airlines operating at the Airport include Sun Country Airlines, Beau Rivage Charter, and Sunwing Airlines.

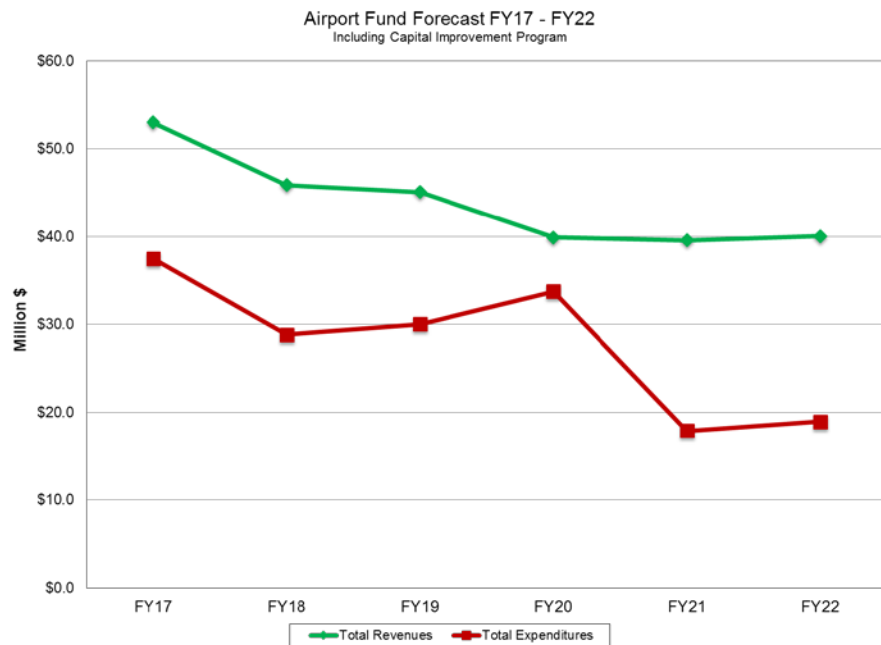
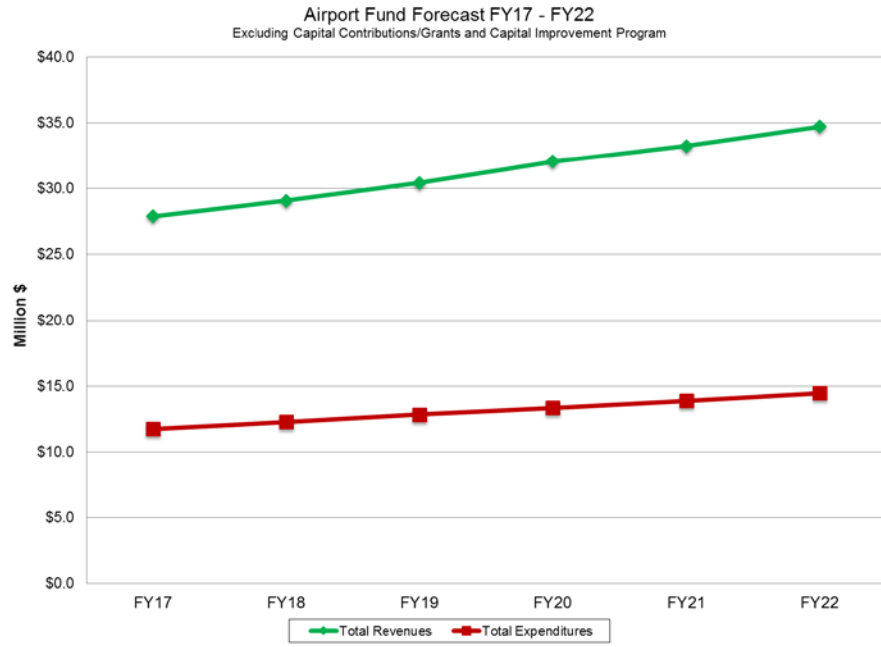
Summary

The Airport Operating and Revenue Fund is an enterprise fund that accounts for all revenues and expenditures at the Airport. This includes management of passenger and cargo airline operations, military, and general aviation, along with commercial and industrial airport property. The Airport is entirely self-supporting, meaning that no property tax dollars are used to support the operation of the airport.

Airport airline and concession revenues have grown in recent years due to an increase in service from Allegiant Airlines. These revenues are forecast to increase by 3.4% per year over the forecast period based on the Airport's agreement with Allegiant and with the continued recovery of the U.S. economy. The forecast for availability of capital contributions and other grant funding is based on current Federal and State funding participation ratios. The forecast for FY17 includes revenues from the proposed Customer Facility Charge and revenues received from the Florida Department of Transportation in connection with the Gateway Express project.

AIRPORT FUND

The forecast for the Airport Revenue and Operating Fund shows that the fund is balanced throughout the forecast period. This presumes the timing of capital projects may need to be adjusted to reflect the timing and amounts of any grant revenues, changing priorities or capacity issues, and other adjustments to operating expenses that may be required to match operating revenues.



The forecast does not show any structural gaps in revenues and expenditures as the fund is balanced through the forecast period presuming that the operating and capital budget would be adjusted in step with revenues and/or capital grants.

AIRPORT FUND FORECAST
Fund 4001

| Forecast Assumptions | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| REVENUES | | | | | | |
| Airfield/Flight Lines | 3.2% | 2.8% | 2.5% | 3.1% | 3.4% | 3.1% |
| Rents/Leases/Concessions | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% |
| Capital Contributions inc. PFCs | 0.0% | -33.2% | -12.7% | -46.5% | -19.2% | -16.5% |
| Interest | 0.7% | 1.1% | 1.4% | 1.9% | 1.9% | 1.9% |
| Other revenues | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| EXPENDITURES | | | | | | |
| Personal Services | 4.4% | 4.4% | 4.3% | 4.3% | 4.3% | 4.3% |
| Operating Expenses | 5.0% | 5.0% | 5.0% | 4.0% | 4.0% | 4.0% |
| Capital Outlay | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% |
| Grants & Aids | 2.3% | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Projected Economic Conditions / Indicators: | | | | | | |
| Consumer Price Index, % change | 2.3% | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| FL Per Capita Personal Income Growth | 2.8% | 2.6% | 1.6% | 1.7% | 1.6% | 1.3% |

AIRPORT FUND FORECAST
Fund 4001

(in \$ thousands)

| | Actual FY15 | Budget FY16 | Estimated FY16 | Budget FY17 | FORECAST | | | | | |
|--|-----------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | Estimated FY17 | Estimated FY18 | Estimated FY19 | Estimated FY20 | Estimated FY21 | Estimated FY22 |
| BEGINNING FUND BALANCE | 21,442.2 | 25,557.6 | 22,391.5 | 19,407.7 | 33,525.4 | 49,065.9 | 66,109.3 | 81,181.1 | 87,350.6 | 109,048.0 |
| REVENUES | | | | | | | | | | |
| Airfield/Flight Lines * | 3,441.5 | 3,497.3 | 3,653.7 | 3,834.7 | 3,834.7 | 3,942.1 | 4,040.6 | 4,165.9 | 4,307.5 | 4,441.1 |
| Rents/Leases/Concessions * | 9,101.5 | 8,665.7 | 9,736.5 | 22,375.3 | 22,375.3 | 23,158.4 | 23,969.0 | 24,807.9 | 25,676.2 | 26,574.8 |
| Grants-Operating | 88.6 | 88.2 | 88.2 | 88.2 | 88.2 | 90.0 | 91.8 | 93.6 | 95.5 | 97.4 |
| Capital Contributions includes PFCs & CFCs**** | 15,527.9 | 23,636.7 | 19,938.3 | 25,143.6 | 25,143.6 | 16,808.3 | 14,682.0 | 7,856.9 | 6,347.0 | 5,297.0 |
| Interest | 117.7 | 83.0 | 112.0 | 284.7 | 284.7 | 539.7 | 925.5 | 1,542.4 | 1,659.7 | 2,071.9 |
| Other revenues | 55.4 | 1.9 | 0.9 | 1.7 | 1.7 | 1.7 | 1.8 | 1.8 | 1.8 | 1.9 |
| Adjust Operating Revenues to 100.0% | | | | | 1,310.5 | 1,355.0 | 1,400.5 | 1,448.7 | 1,499.2 | 1,550.8 |
| TOTAL REVENUES | 28,332.6 | 35,972.8 | 33,529.6 | 51,728.2 | 53,038.7 | 45,895.3 | 45,111.2 | 39,917.3 | 39,587.0 | 40,035.0 |
| % vs prior year | | | | 82.6% | 58.2% | -13.5% | -1.7% | -11.5% | -0.8% | 1.1% |
| TOTAL RESOURCES | 49,774.8 | 61,530.4 | 55,921.1 | 71,135.9 | 86,564.1 | 94,961.2 | 111,220.6 | 121,098.5 | 126,937.6 | 149,082.9 |
| EXPENDITURES | | | | | | | | | | |
| Personal Services | 4,578.8 | 4,985.6 | 4,788.8 | 5,300.5 | 5,300.5 | 5,533.7 | 5,771.7 | 6,019.9 | 6,278.7 | 6,548.7 |
| Operating Expenses ** | 4,093.9 | 5,379.7 | 5,541.7 | 5,782.9 | 5,782.9 | 6,072.0 | 6,375.6 | 6,630.7 | 6,895.9 | 7,171.7 |
| Capital Outlay | 268.9 | 176.2 | 140.2 | 146.3 | 146.3 | 152.2 | 158.2 | 164.6 | 171.2 | 178.0 |
| Full Cost Allocation | 483.0 | 447.8 | 447.8 | 617.2 | 617.2 | 631.4 | 645.9 | 661.4 | 677.3 | 693.5 |
| Debt Service | - | - | - | - | - | - | - | - | - | - |
| Non-recurring CIP expenditures | 17,958.9 | 25,918.7 | 25,594.9 | 25,763.6 | 25,763.6 | 16,580.1 | 17,211.0 | 20,399.5 | 4,000.0 | 4,500.0 |
| Expenditure Lapse 1% *** | | | | | (112.3) | (117.6) | (123.1) | (128.2) | (133.5) | (139.0) |
| TOTAL EXPENDITURES | 27,383.5 | 36,908.0 | 36,513.4 | 37,610.5 | 37,498.2 | 28,851.8 | 30,039.4 | 33,747.9 | 17,889.6 | 18,953.0 |
| % vs prior year | 88% | 35% | 33% | 1.9% | 2.7% | -23.1% | 4.1% | 12.3% | -47.0% | 5.9% |
| ENDING FUND BALANCE | 22,391.4 | 24,622.4 | 19,407.7 | 33,525.4 | 49,065.9 | 66,109.3 | 81,181.1 | 87,350.6 | 109,048.0 | 130,129.9 |
| Ending balance as % of Revenue | 79.0% | 68.4% | 57.9% | 64.8% | 92.5% | 144.0% | 180.0% | 218.8% | 275.5% | 325.0% |
| TOTAL REQUIREMENTS | 49,774.8 | 61,530.4 | 55,921.1 | 71,135.9 | 86,564.1 | 94,961.2 | 111,220.6 | 121,098.5 | 126,937.6 | 149,082.9 |
| REVENUE minus EXPENDITURES | 949.2 | (935.2) | (2,983.8) | 14,117.7 | 15,540.5 | 17,043.4 | 15,071.8 | 6,169.5 | 21,697.4 | 21,082.0 |
| note: non-recurring CIP expenditures | | | | 25,763.6 | 25,763.6 | 16,580.1 | 17,211.0 | 20,399.5 | 4,000.0 | 4,500.0 |
| non-recurring revenue (capital contributions) | | | | (25,143.6) | (25,143.6) | (16,808.3) | (14,682.0) | (7,856.9) | (6,347.0) | (5,297.0) |
| net recurring rev- exp | | | | 14,737.7 | 16,160.5 | 16,815.2 | 17,600.8 | 18,712.1 | 19,350.4 | 20,285.0 |

* Operating Revenues

** Operating Expenses net of Full Cost Allocation

*** Expenditure lapse is calculated on Personal Services, Operating Expenses, Capital Outlay, and Grants & Aids only.

**** Customer Facility Charge (CFC) is proposed for implementation in FY17. CFC funding is for non-grant funded capital projects.

GASB 68 rule for Pensions is effective for FY15 requiring local governments to report their proportionate share of the pension obligation of cost-sharing pension plans (FRS).

WATER FUNDS

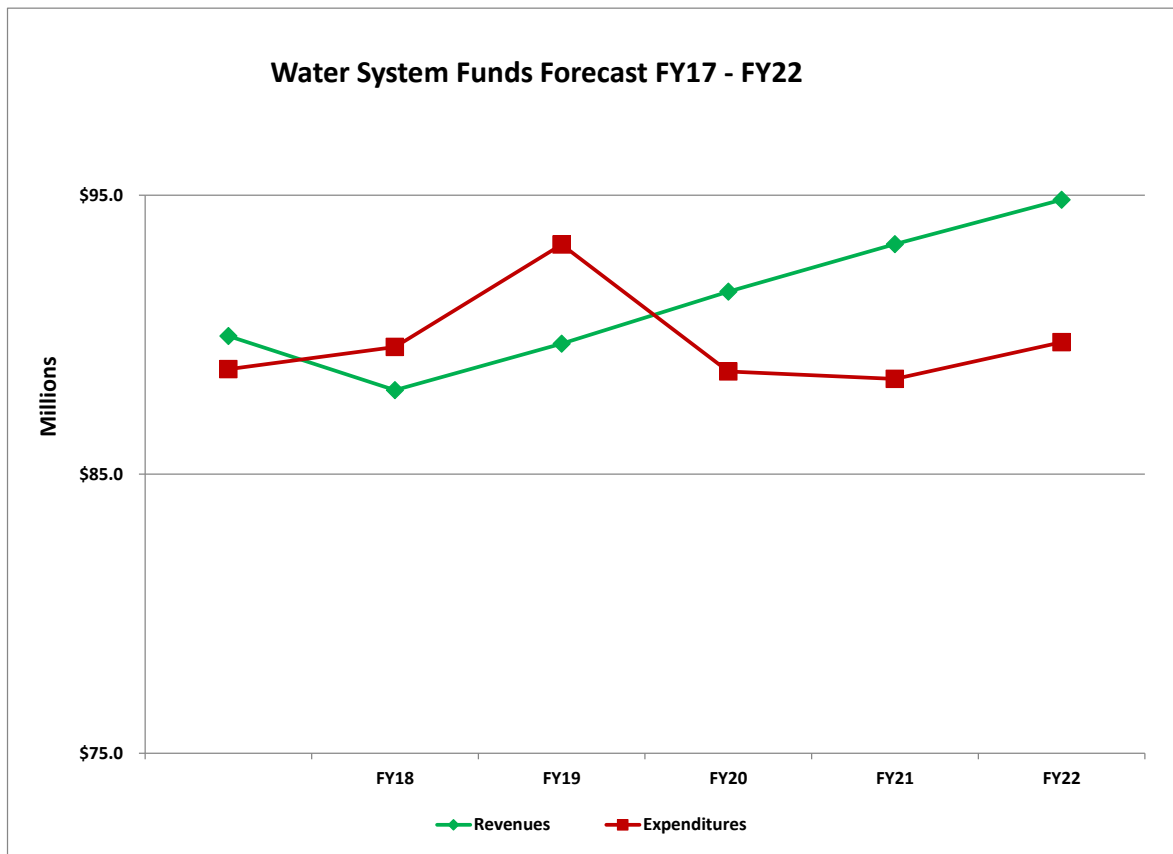
Description

The Pinellas County Water System is responsible for providing quality, cost effective potable water service to County retail and wholesale customers. The Water System must adhere to State and Federal laws, rules, and regulations while operating and maintaining this delivery system. The Water System is continually being upgraded to provide customers with a safe and sufficient water supply for domestic needs as well as an ample supply for fire protection. The Water System also continues to educate its customers on important water conservation issues.

The Water Funds are enterprise funds, and are committed solely to support Water System functions. The Pinellas County Water System utilizes three funds: Revenue and Operating, Renewal and Replacement (capital), and Impact Fees. This forecast covers all three funds.

Summary

There are some key changes to the Water Forecast as presented in February 2016. Revenues over the forecast period show an increase of \$8.1M, primarily in wholesale water sales (\$5.2M) and forestry operations (\$1.3M). In FY17, Capital Outlay expenditures are \$5.1M higher due to the addition of the Transmission Mains Valve project and additional money added to the FDOT Gateway Utility Relocation. Personal Services reflects an increase of \$3.6M due to the realignment of the Office of Engineering and Technical Support within Public Works and Utilities, as well as additional positions added in FY17. There is a \$3.0M decrease in Intergovernmental Cost Allocations. The Water Funds are structurally balanced through the forecast period.



WATER FUNDS FORECAST
Fund 4031, 4034, & 4036

Pinellas County, Florida

A-62

FY17 Proposed Budget

| Forecast Assumptions | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|--------|-------|------|------|-------|
| REVENUES | | | | | |
| Water Sales-Retail | 1.9% | 1.9% | 1.9% | 1.9% | 1.9% |
| Water Sales-Wholesale | -18.7% | 1.8% | 1.7% | 1.8% | 1.7% |
| Interest | 1.1% | 1.4% | 1.9% | 1.9% | 1.9% |
| Other revenues | -19.1% | -1.4% | 0.3% | 0.6% | -2.9% |
| EXPENDITURES | | | | | |
| Personal Services | 4.4% | 4.3% | 4.3% | 4.3% | 4.3% |
| Operating Expenses | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Purchase of Water | 0.2% | 1.0% | 1.4% | 2.6% | 2.6% |
| Power | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Chemicals | 7.0% | 7.0% | 7.0% | 7.0% | 7.0% |
| Projected Economic Conditions / Indicators: | | | | | |
| Consumer Price Index, % change | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| FL Per Capita Personal Income Growth | 2.6% | 1.6% | 1.7% | 1.6% | 1.3% |

WATER FUNDS FORECAST
Fund 4031, 4034, & 4036

Pinellas County, Florida

A-63

(in \$ thousands)

| | Actual FY15 | Budget FY16 | Estimated FY16 | Budget FY17 | FORECAST (@100%) | | | | | |
|---|------------------|------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | Estimated FY17 | Estimated FY18 | Estimated FY19 | Estimated FY20 | Estimated FY21 | Estimated 2022 |
| BEGINNING FUND BALANCE* | 51,486.8 | 51,203.5 | 60,778.9 | 64,504.4 | 64,504.4 | 65,692.8 | 64,148.4 | 60,596.5 | 63,457.0 | 68,286.4 |
| REVENUES | | | | | | | | | | |
| Water Sales - Retail | 64,337.8 | 64,940.8 | 68,700.0 | 66,409.1 | 69,904.3 | 71,253.9 | 72,629.4 | 74,031.1 | 75,459.7 | 76,915.6 |
| Water Sales - Wholesale | 17,967.6 | 9,645.0 | 12,729.1 | 12,499.9 | 13,157.8 | 10,701.6 | 10,888.9 | 11,079.4 | 11,273.3 | 11,470.6 |
| Interest | 350.5 | 130.6 | 272.0 | 280.3 | 295.0 | 722.6 | 898.1 | 1,151.3 | 1,205.7 | 1,297.4 |
| Other Revenues | 7,001.5 | 5,191.2 | 6,542.3 | 6,264.1 | 6,593.8 | 5,334.2 | 5,260.3 | 5,278.6 | 5,308.2 | 5,153.6 |
| TOTAL REVENUES | 89,657.5 | 79,907.6 | 88,243.4 | 85,453.3 | 89,950.9 | 88,012.3 | 89,676.6 | 91,540.4 | 93,246.9 | 94,837.3 |
| % vs prior year | | -10.9% | -1.6% | 6.9% | 1.9% | -2.2% | 1.9% | 2.1% | 1.9% | 1.7% |
| TOTAL RESOURCES | 141,144.3 | 131,111.1 | 149,022.4 | 149,957.7 | 154,455.4 | 153,705.1 | 153,825.0 | 152,137.0 | 156,703.9 | 163,123.8 |
| EXPENDITURES | | | | | | | | | | |
| Personal Services | 12,110.7 | 12,835.1 | 12,660.5 | 13,967.1 | 13,967.1 | 14,581.6 | 15,208.6 | 15,862.6 | 16,544.7 | 17,256.1 |
| OPEB | 843.7 | 880.8 | 880.8 | 881.9 | 881.9 | 920.7 | 960.3 | 1,001.5 | 1,044.6 | 1,089.5 |
| Operating Expenses | 3,746.4 | 6,670.4 | 7,433.9 | 7,612.3 | 7,612.3 | 7,787.4 | 7,966.5 | 8,157.7 | 8,353.5 | 8,553.9 |
| Purchase of Water | 44,309.6 | 41,000.0 | 41,290.0 | 41,200.0 | 41,200.0 | 41,292.7 | 41,688.9 | 42,266.7 | 43,386.8 | 44,536.4 |
| Power | 1,191.0 | 1,425.3 | 1,379.3 | 1,450.9 | 1,450.9 | 1,523.4 | 1,599.6 | 1,679.6 | 1,763.5 | 1,851.7 |
| Chemicals | 627.3 | 803.2 | 803.2 | 869.2 | 869.2 | 930.1 | 995.2 | 1,064.8 | 1,139.4 | 1,219.1 |
| Grants & Aids | 919.8 | - | - | - | - | - | - | - | - | - |
| Cost Allocation | 6,162.2 | 6,763.4 | 6,671.9 | 6,465.1 | 6,465.1 | 6,613.8 | 6,765.9 | 6,928.3 | 7,094.6 | 7,264.8 |
| Expenditure Lapse** | | | | (715.6) | (715.6) | (727.3) | (742.2) | (759.6) | (782.8) | (806.8) |
| Debt Service | 3.3 | 7.0 | 7.0 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 |
| Capital Equipment | 2,273.4 | 2,587.5 | 2,084.5 | 1,509.9 | 1,509.9 | 1,147.9 | 1,147.9 | 1,147.9 | 1,147.9 | 1,147.9 |
| Capital Outlay | 8,178.1 | 20,904.8 | 11,306.8 | 15,510.9 | 15,510.9 | 15,475.5 | 17,626.9 | 11,319.4 | 8,714.4 | 7,604.4 |
| TOTAL EXPENDITURES | 80,365.3 | 93,877.5 | 84,518.0 | 88,762.6 | 88,762.6 | 89,556.7 | 93,228.5 | 88,679.9 | 88,417.5 | 89,728.1 |
| % vs prior year | | 16.8% | 5.2% | -5.4% | 5.0% | 0.9% | 4.1% | -4.9% | -0.3% | 1.5% |
| TOTAL ENDING FUND BALANCE | 60,778.9 | 37,233.6 | 64,504.4 | 61,195.1 | 65,692.8 | 64,148.4 | 60,596.5 | 63,457.0 | 68,286.4 | 73,395.7 |
| Ending balance as % of Revenue | 67.8% | 46.6% | 73.1% | 71.6% | 73.0% | 72.9% | 67.6% | 69.3% | 73.2% | 77.4% |
| TOTAL REQUIREMENTS | 141,144.3 | 131,111.1 | 149,022.4 | 149,957.7 | 154,455.4 | 153,705.1 | 153,825.0 | 152,137.0 | 156,703.9 | 163,123.8 |
| REVENUE minus EXPENDITURES (NOT cumulative) | 9,292.1 | (13,969.8) | 3,725.4 | (3,309.3) | 1,188.3 | (1,544.4) | (3,551.9) | 2,860.5 | 4,829.4 | 5,109.2 |

* Includes OPEB Impact

** Expenditure lapse of 1.0% is calculated on all expenses excluding OPEB, Debt Service, Capital Equipment, and Capital Outlay.

Revenues reflect the combined impact of changes in rates and/or levels of consumption.

GASB 68 rule for Pensions is effective for FY15 requiring local governments to report their proportionate share of the pension obligation of cost-sharing pension plans (FRS).

FY17 Proposed Budget



SEWER FUNDS

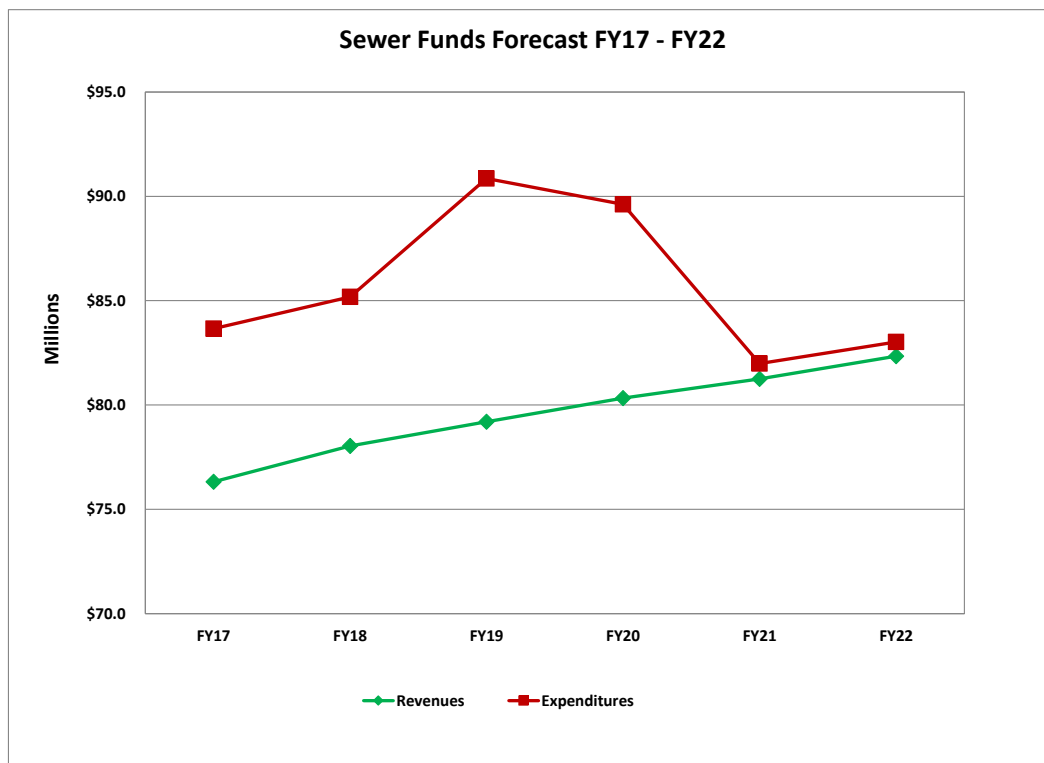
Description

The Pinellas County Sewer System is responsible for quality, cost effective sewer service to the citizens and business owners within the County sewer service areas. The Sewer System must adhere to State and Federal laws, rules, and regulations while operating and maintaining this system. The Sewer System provides an environmentally safe and sanitary means of collecting and transmitting discharged domestic waste from residential, commercial, and industrial users. The Sewer System provides for the treatment and disposal of objectionable materials and organisms from the waste in order to protect public health, property, and environment.

The Sewer Funds are enterprise funds, and are committed solely to support Sewer System functions. The Pinellas County Sewer System utilizes three funds: Revenue and Operating, Renewal and Replacement (capital), and Interest and Sinking (Debt Service). The Sewer System is required to maintain a debt service coverage ratio (revenues less operating expenses divided by debt service expense) of 1.25x per the bond covenants; however the fund is maintained at a debt service coverage ratio of at least 1.50x to sustain the current bond ratings.

Summary

There are some key changes to the Sewer Forecast as presented in February 2016. In FY17, Capital Outlay expenditures are \$32.5M higher due to additional projects being identified and added to the forecast. This is partially offset by a \$19.0M decrease in Intergovernmental Cost Allocations. Personal Services reflects an increase of \$4.8M due to the realignment of the Office of Engineering and Technical Support within Public Works and Utilities, as well as additional positions added for FY17. There is a decrease in the Debt Service Expenditures due to timing changes of principal payments, as well as the refinancing of the 2006 Sewer Bonds. The Sewer Funds are structurally balanced through the forecast period.



SEWER FUNDS FORECAST
Fund 4051, 4052, & 4053

| Forecast Assumptions | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|-------|------|------|------|------|
| REVENUES | | | | | |
| Sewer Charges - Retail | -2.0% | 1.2% | 1.2% | 1.2% | 1.2% |
| Sewer Charges - Wholesale | 37.7% | 1.2% | 1.2% | 1.2% | 1.2% |
| Reclaimed - Retail | -1.0% | 4.5% | 4.3% | 4.2% | 4.0% |
| Reclaimed - Wholesale | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Interest | 1.1% | 1.4% | 1.9% | 1.9% | 1.9% |
| Other revenues | -2.5% | 0.0% | 0.0% | 0.0% | 0.0% |
| EXPENDITURE | | | | | |
| Personal Services | 4.4% | 4.3% | 4.3% | 4.3% | 4.3% |
| Operating Expenses | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Power | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Chemicals | 7.0% | 7.0% | 7.0% | 7.0% | 7.0% |
| Projected Economic Conditions / Indicators: | | | | | |
| Consumer Price Index, % change | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| FL Per Capita Personal Income Growth | 2.6% | 1.6% | 1.7% | 1.6% | 1.3% |

SEWER FUNDS FORECAST
Fund 4051, 4052, & 4053

(in \$ thousands)

BEGINNING FUND BALANCE*

REVENUES

Sewer Charges - Retail
Sewer Charges - Wholesale
Reclaimed - Retail
Reclaimed - Wholesale
Interest
Other Revenues

TOTAL REVENUES

% vs prior year

TOTAL RESOURCES

EXPENDITURES

Personal Services
OPEB
Operating Expenses
Power
Chemicals
Cost Allocation
Expenditure Lapse**
Transfer from Water
Debt Service
Capital Equipment
Capital Outlay

TOTAL EXPENDITURES

% vs prior year

TOTAL ENDING FUND BALANCE

Ending balance as % of Revenue

TOTAL REQUIREMENTS

Debt Service Coverage

REVENUE minus EXPENDITURES
(NOT cumulative)

* Includes OPEB Impact

** Expenditure lapse of 1.0% is calculated on all expenses excluding OPEB, Debt Service, Capital Equipment, and Capital Outlay

Revenues reflect the combined impact of changes in rate and/or levels of consumption.

GASB 68 rule for Pensions is effective for FY15 requiring local governments to report their proportionate share of the pension obligation of cost-sharing pension plans (FRS).

| | | | | FORECAST (@100%) | | | | | |
|----------------|----------------|-------------------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Actual FY15 | Budget FY16 | Estimated FY16 | Budget FY17 | Estimated FY17 | Estimated FY18 | Estimated FY19 | Estimated FY20 | Estimated FY21 | Estimated FY22 |
| 60,932.6 | 69,549.7 | 72,589.5 | 68,350.9 | 68,350.9 | 61,012.1 | 53,861.6 | 42,201.8 | 32,911.4 | 32,173.5 |
| 59,382.2 | 56,743.3 | 58,606.9 | 59,094.8 | 62,205.0 | 60,992.0 | 61,708.4 | 62,433.1 | 63,166.1 | 63,907.6 |
| 8,570.1 | 8,794.4 | 6,851.2 | 6,616.8 | 6,965.0 | 9,593.8 | 9,709.8 | 9,827.3 | 9,946.1 | 10,066.3 |
| 4,476.0 | 4,377.4 | 4,644.0 | 4,876.4 | 5,133.0 | 5,081.3 | 5,312.3 | 5,543.2 | 5,774.2 | 6,005.2 |
| 222.6 | 246.2 | 245.6 | 257.4 | 271.0 | 286.0 | 299.0 | 312.0 | 325.0 | 338.0 |
| 411.8 | 207.4 | 283.3 | 284.3 | 299.3 | 671.1 | 754.1 | 801.8 | 625.3 | 611.3 |
| 2,622.6 | 1,355.6 | 1,902.5 | 1,374.5 | 1,446.9 | 1,410.2 | 1,410.2 | 1,410.2 | 1,410.2 | 1,410.2 |
| 75,685.4 | 71,724.2 | 72,533.6 | 72,504.1 | 76,320.1 | 78,034.4 | 79,193.9 | 80,327.7 | 81,247.0 | 82,338.6 |
| | -5.2% | | -4.2% | 5.2% | 2.2% | 1.5% | 1.4% | 1.1% | 1.3% |
| 136,618.0 | 141,274.0 | 145,123.0 | 140,855.0 | 144,671.0 | 139,046.5 | 133,055.4 | 122,529.6 | 114,158.3 | 114,512.1 |
| 15,536.7 | 16,002.5 | 15,493.7 | 17,393.5 | 17,393.5 | 18,158.8 | 18,939.6 | 19,754.0 | 20,603.4 | 21,489.4 |
| 940.0 | 981.4 | 981.4 | 1,024.6 | 1,024.6 | 1,069.6 | 1,115.6 | 1,163.6 | 1,213.6 | 1,265.8 |
| 10,454.4 | 13,109.5 | 13,232.3 | 13,254.6 | 13,254.6 | 13,559.4 | 13,871.3 | 14,204.2 | 14,545.1 | 14,894.2 |
| 4,106.3 | 5,062.1 | 5,022.2 | 5,047.4 | 5,047.4 | 5,299.8 | 5,564.8 | 5,843.0 | 6,135.2 | 6,442.0 |
| 2,621.7 | 3,887.8 | 3,959.0 | 4,026.7 | 4,026.7 | 4,308.6 | 4,610.2 | 4,932.9 | 5,278.2 | 5,647.7 |
| 6,514.6 | 7,600.3 | 6,866.4 | 4,900.2 | 4,900.2 | 5,012.9 | 5,128.2 | 5,251.3 | 5,377.3 | 5,506.4 |
| (919.8) | - | - | (446.2) | (446.2) | (463.4) | (481.1) | (499.9) | (519.4) | (539.8) |
| 10,556.0 | 18,302.6 | 14,380.3 | 14,310.1 | 14,310.1 | 14,629.3 | 14,635.9 | 14,641.4 | 14,623.7 | 14,619.8 |
| 2,906.1 | 4,375.6 | 3,317.5 | 2,099.7 | 1,628.4 | 1,628.4 | 1,628.4 | 1,628.4 | 1,628.4 | 1,628.4 |
| 11,312.5 | 17,260.4 | 13,519.4 | 22,519.7 | 22,519.7 | 21,981.5 | 25,840.7 | 22,699.2 | 13,099.2 | 12,064.2 |
| 64,028.5 | 86,582.1 | 76,772.1 | 84,130.2 | 83,658.9 | 85,185.0 | 90,853.6 | 89,618.2 | 81,984.8 | 83,017.9 |
| | 35.2% | | 31.4% | 9.0% | 1.8% | 6.7% | -1.4% | -8.5% | 1.3% |
| 72,589.5 | 54,691.8 | 68,350.9 | 56,724.7 | 61,012.1 | 53,861.6 | 42,201.8 | 32,911.4 | 32,173.5 | 31,494.2 |
| 95.9% | 76.3% | 94.2% | 78.2% | 79.9% | 69.0% | 53.3% | 41.0% | 39.6% | 38.2% |
| 136,618.0 | 141,274.0 | 145,123.0 | 140,855.0 | 144,671.0 | 139,046.5 | 133,055.4 | 122,529.6 | 114,158.3 | 114,512.1 |
| 3.30 | 1.71 | 1.83 | 1.86 | 2.13 | 2.05 | 2.00 | 1.95 | 1.89 | 1.82 |
| 11,656.9 | (14,857.9) | (4,238.6) | (11,626.2) | (7,338.8) | (7,150.5) | (11,659.7) | (9,290.5) | (737.8) | (679.4) |



SOLID WASTE FUNDS

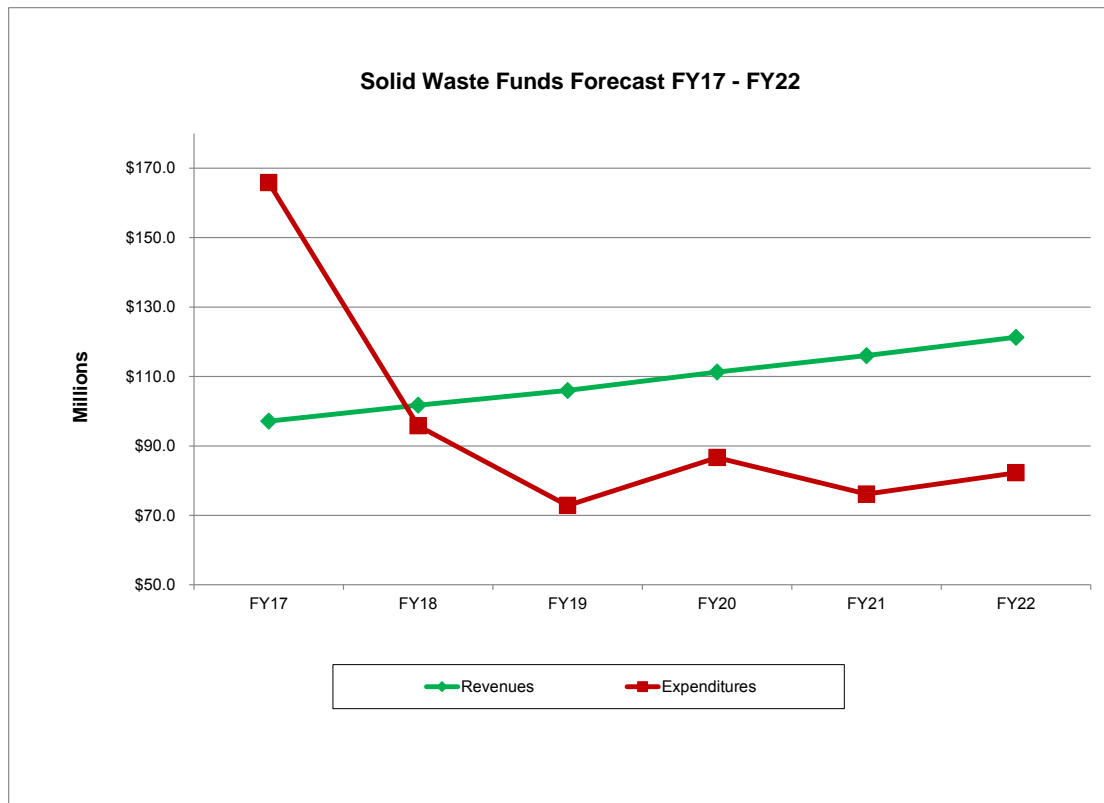
Description

Pinellas County Solid Waste provides safe and environmentally sound integrated solid waste services to all citizens of Pinellas County. These services emphasize public awareness and communication to enable the citizens to make educated choices concerning proper management of their solid waste and to help maintain the quality of life in Pinellas County. In support of that mission, Solid Waste operates the landfill, the waste to energy (WTE) plant, household hazardous waste collection, waste reduction, and other solid waste management related functions.

The Solid Waste Funds are enterprise funds and are committed solely to support Solid Waste functions. Solid Waste utilizes two funds: Revenue and Operating, and Renewal and Replacement (capital).

Summary

There were some key changes to the forecast as presented in February 2016. In FY17, CIP expenditures and WTE contract expenditures are \$29.0M higher due to an extension in the schedule for completion of Technical Recovery Program (TRP) projects at WTE. This is offset by a \$35.0M decrease in Interfund Loan to Capital Fund, which is no longer needed at this time. The forecast for the Solid Waste Funds shows that the fund is balanced through the forecast period. Solid Waste tipping fee revenues are expected to grow slightly during the forecasted six-year period. As was expected with the change in WTE service contractor, the cost to operate the WTE plant increased in FY15 and FY16. As shown in the following graph, there is a sharp decrease in expenditures once the TRP projects are completed.



SOLID WASTE FUNDS FORECAST
Fund 4021 & 4023

| Forecast Assumptions | FY18 | FY19 | FY20 | FY21 | FY22 |
|--|-------------|-------------|-------------|-------------|-------------|
| REVENUES | | | | | |
| Tipping Fees | 2.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| Electricity Sales | 5.0% | 0.5% | 0.5% | 0.5% | 0.5% |
| Electrical Capacity | 6.4% | 6.4% | 6.4% | 6.4% | 6.4% |
| Recycling Revenue | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Interest | 1.1% | 1.4% | 1.9% | 1.9% | 1.9% |
| Other revenues | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| EXPENDITURES | | | | | |
| Personal Services | 4.4% | 4.3% | 4.3% | 4.3% | 4.3% |
| Operating Expenses | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| WTE Service Fee | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Landfill Service Fee | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Grants & Aids | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Cost Allocation | 2.3% | 2.3% | 2.4% | 2.4% | 2.0% |
| Projected Economic Conditions / Indicators: | | | | | |
| Consumer Price Index, % change | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| FL Per Capita Personal Income Growth | 2.6% | 1.6% | 1.7% | 1.6% | 1.3% |

SOLID WASTE FUNDS FORECAST**Fund 4021 & 4023**

(in \$ thousands)

BEGINNING FUND BALANCE ***REVENUES**

Tipping Fees
Electricity Sales
Electrical Capacity
Recycling Revenue
Interest
Other revenues
Debt Service on Loan from Capital Fund
Loan repayment from Capital Fund (Chiller)
Loan repayment from Capital Fund
Grants (e.g. Artificial Reef, etc.)

TOTAL REVENUES

% vs prior year

TOTAL RESOURCES**EXPENDITURES**

Personal Services
OPEB
Operating Expenses
WTE Contract Service
Landfill Contract Service
Curbside Recycling
Litter Program
Beach Recycling
HEC3 Costs
Water Treatment Facility
Grants & Aids
Cost Allocations
Capital Equipment
Capital Outlay
Interfund Loan to Capital Fund**
Expenditure Lapse

TOTAL EXPENDITURES

% vs prior year

TOTAL ENDING FUND BALANCE

Ending balance as % of Revenue

TOTAL REQUIREMENTS**REVENUE minus EXPENDITURES
(NOT cumulative)**

* Includes OPEB impact

** Interfund Loan to Capital Fund will be made only if Solid Waste funding is available to support it.

*** Expenditure lapse of 1.0% is calculated on all expenses excluding OPEB, Debt Service, Capital Equipment, and Capital Outlay.

Revenues reflect the combined impact of changes in rates and/or levels of consumption.

GASB 68 rule for Pensions is effective for FY15 requiring local governments to report their proportionate share of the pension obligation of cost-sharing pension plans (FRS).

| | Actual FY15 | Budget FY16 | Estimated FY16 | Budget FY17 | FORECAST (@100%) | | | | | |
|--|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | Estimated FY17 | Estimated FY18 | Estimated FY19 | Estimated FY20 | Estimated FY21 | Estimated FY22 |
| BEGINNING FUND BALANCE * | 236,583.0 | 222,942.2 | 248,805.4 | 188,598.4 | 188,598.4 | 119,890.0 | 125,831.7 | 158,989.3 | 183,628.3 | 223,515.8 |
| REVENUES | | | | | | | | | | |
| Tipping Fees | 36,575.3 | 32,119.5 | 33,810.0 | 33,083.1 | 34,824.3 | 35,520.8 | 35,876.0 | 36,234.8 | 36,597.1 | 36,963.1 |
| Electricity Sales | 10,144.2 | 10,994.3 | 11,572.9 | 9,544.7 | 10,047.0 | 10,549.4 | 10,602.1 | 10,655.1 | 10,708.4 | 10,761.9 |
| Electrical Capacity | 44,390.2 | 47,212.0 | 47,212.0 | 50,219.4 | 50,219.4 | 53,412.5 | 56,814.1 | 60,432.5 | 64,277.6 | 68,372.3 |
| Recycling Revenue | 1,312.6 | 2,129.3 | 1,207.6 | 823.7 | 867.1 | 867.1 | 867.1 | 867.1 | 867.1 | 867.1 |
| Interest | 1,327.4 | 786.5 | 827.9 | 1,051.5 | 1,106.9 | 1,318.8 | 1,761.6 | 3,020.8 | 3,488.9 | 4,246.8 |
| Other revenues | 75.3 | 36.6 | 68.1 | 64.8 | 67.8 | 69.1 | 70.5 | 71.9 | 73.3 | 74.8 |
| Debt Service on Loan from Capital Fund | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Loan repayment from Capital Fund (Chiller) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Loan repayment from Capital Fund | 15,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Grants (e.g. Artificial Reef, etc.) | 0.0 | 0.0 | 60.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL REVENUES | 108,825.1 | 93,278.1 | 94,758.5 | 94,787.2 | 97,132.5 | 101,737.6 | 105,991.4 | 111,282.2 | 116,012.5 | 121,286.1 |
| % vs prior year | | -14.3% | -12.9% | 1.6% | 2.5% | 4.7% | 4.2% | 5.0% | 4.3% | 4.5% |
| TOTAL RESOURCES | 345,408.1 | 316,220.3 | 343,563.9 | 283,385.6 | 285,730.8 | 221,627.6 | 231,823.1 | 270,271.4 | 299,640.8 | 344,801.8 |
| EXPENDITURES | | | | | | | | | | |
| Personal Services | 5,770.9 | 6,102.3 | 5,737.1 | 6,430.3 | 6,430.3 | 6,713.3 | 7,001.9 | 7,303.0 | 7,617.1 | 7,944.6 |
| OPEB | 389.8 | 406.9 | 406.9 | 424.8 | 424.8 | 443.5 | 462.6 | 482.5 | 503.2 | 524.9 |
| Operating Expenses | 7,646.9 | 15,030.4 | 13,085.9 | 14,411.1 | 14,411.1 | 14,742.5 | 15,081.6 | 15,443.6 | 15,814.2 | 16,193.8 |
| WTE Contract Service | 46,363.5 | 52,758.0 | 52,407.6 | 37,209.5 | 37,209.5 | 28,025.8 | 28,866.6 | 29,732.6 | 30,624.5 | 31,543.3 |
| Landfill Contract Service | 9,700.3 | 11,410.6 | 10,542.2 | 11,456.2 | 11,456.2 | 11,799.9 | 12,153.9 | 12,518.5 | 12,894.1 | 13,280.9 |
| Curbside Recycling | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Litter Program | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Beach Recycling | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| HEC3 Costs | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Water Treatment Facility | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Grants & Aids | 499.7 | 500.0 | 500.0 | 500.0 | 500.0 | 500.0 | 500.0 | 500.0 | 500.0 | 500.0 |
| Cost Allocations | 5,238.5 | 5,712.5 | 5,590.7 | 4,730.9 | 4,730.9 | 4,839.7 | 4,951.1 | 5,069.9 | 5,191.6 | 5,316.2 |
| Capital Equipment | 927.0 | 1,236.7 | 797.3 | 1,887.9 | 1,887.9 | 517.3 | 517.3 | 517.3 | 517.3 | 517.3 |
| Capital Outlay | 20,066.1 | 90,168.8 | 65,897.8 | 89,537.4 | 89,537.4 | 28,880.0 | 3,984.4 | 15,781.4 | 3,189.4 | 7,194.4 |
| Interfund Loan to Capital Fund** | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Expenditure Lapse | 0.0 | 0.0 | 0.0 | 0.0 | (747.4) | (666.2) | (685.6) | (705.7) | (726.4) | (747.8) |
| TOTAL EXPENDITURES | 96,602.7 | 183,326.1 | 154,965.5 | 166,588.2 | 165,840.8 | 95,795.9 | 72,833.9 | 86,643.1 | 76,125.0 | 82,267.5 |
| % vs prior year | | 89.8% | 60.4% | -9.1% | 7.0% | -42.2% | -24.0% | 19.0% | -12.1% | 8.1% |
| TOTAL ENDING FUND BALANCE | 248,805.4 | 132,894.2 | 188,598.4 | 116,797.4 | 119,890.0 | 125,831.7 | 158,989.3 | 183,628.3 | 223,515.8 | 262,534.3 |
| Ending balance as % of Revenue | 228.6% | 142.5% | 199.0% | 123.2% | 123.4% | 123.7% | 150.0% | 165.0% | 192.7% | 216.5% |
| TOTAL REQUIREMENTS | 345,408.1 | 316,220.3 | 343,563.9 | 283,385.6 | 285,730.8 | 221,627.6 | 231,823.1 | 270,271.4 | 299,640.8 | 344,801.8 |
| REVENUE minus EXPENDITURES (NOT cumulative) | 12,222.4 | (90,048.0) | (60,207.0) | (71,801.0) | (68,708.4) | 5,941.7 | 33,157.5 | 24,639.1 | 39,887.5 | 39,018.6 |



SURFACE WATER SPECIAL ASSESSMENT FUND

Description

The Pinellas County Surface Water Assessment Program generates dedicated revenues for the unincorporated County to comply with federal regulations imposed by the U.S. Environmental Protection Agency's National Pollution Discharge Elimination System (NPDES) stormwater permitting program as implemented by the Florida Department of Environmental Protection (FDEP). The Clean Water Act requires the control of the discharges of pollutants to the waters of the United States through NPDES permits. The control of pollutant discharges to the Municipal Separate Storm Sewer System (MS4) is a best management practice.

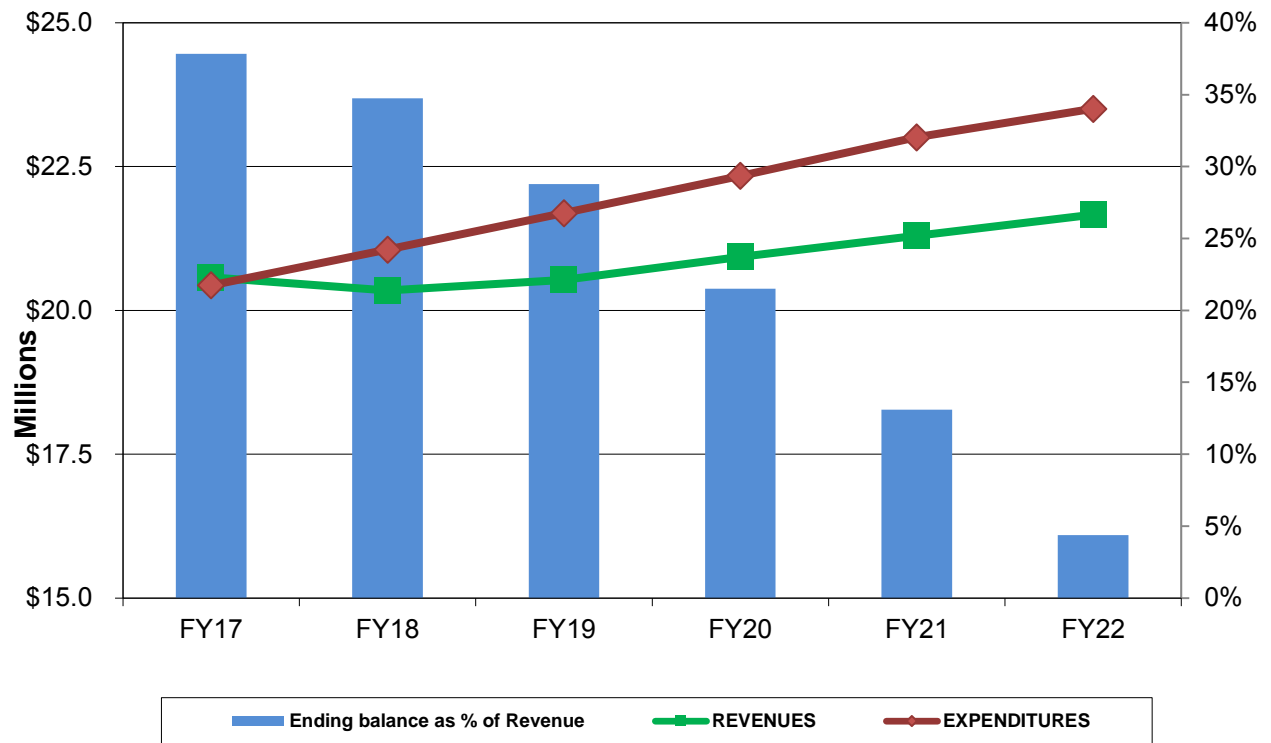
Surface water assessments are based upon the estimated amount of stormwater runoff generated by impervious surfaces on a parcel. Impervious surfaces include the rooftop, patios, parking lots, and similar areas. The County has determined that the median single-family residence in the Surface Water Area includes 2,339 square feet of impervious surface, which is the value of one "Equivalent Residential Unit" or "ERU Value". On June 21, 2016, the Board approved a preliminary rate of \$117.74 per Equivalent Residential Unit (ERU) per year to fund the Surface Water program. The rate is unchanged from the FY16 rate and is estimated to bring in approximately \$19.6M for FY17.

Summary

The Surface Water Special Assessment revenue is based on program funding needs to achieve and maintain the desired level of service (B-) for surface water services such as flood control, water quality improvements, and NPDES permit requirements.

The forecast for the Surface Water Special Assessment Fund indicates the fund is not balanced throughout the forecast period. Beginning in FY17, revenues will not be enough to cover estimated inflationary increases for expenditures. Although there are additional revenues from grants, interest, and other sources, fund balance is required each year to offset the variance in the fund. It is expected that planned program expenditure reductions will be needed to address projected deficits and to maintain adequate reserve levels throughout the forecast period.

SURFACE WATER SPECIAL ASSESSMENT FUND



SURFACE WATER SPECIAL ASSESSMENT FUND FORECAST
Fund 1094

| Forecast Assumptions | FY18 | FY19 | FY20 | FY21 | FY22 |
|--|----------------|----------------|----------------|----------------|----------------|
| REVENUES | | | | | |
| Surface Water Assessmt - ERU Growth | -0.5% | -0.5% | -0.5% | -0.5% | -0.5% |
| Surface Water Assessmt - CPI incr | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Surface Water Assessmt-Total incr | 1.8% | 1.8% | 1.9% | 1.9% | 1.9% |
| ERU (excludes govt) | 166,094 | 165,263 | 164,437 | 163,615 | 162,797 |
| Interest | 1.1% | 1.4% | 1.9% | 1.9% | 1.9% |
| Other revenues | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| EXPENDITURES | | | | | |
| Personal Services | 4.4% | 4.3% | 4.3% | 4.3% | 4.3% |
| Operating Expenses | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Capital Outlay | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| Projected Economic Conditions / Indicators: | | | | | |
| Consumer Price Index, % change | 2.3% | 2.3% | 2.4% | 2.4% | 2.4% |
| FL Per Capita Personal Income Growth | 2.6% | 1.6% | 1.7% | 1.6% | 1.3% |

SURFACE WATER SPECIAL ASSESSMENT FUND FORECAST
Fund 1094

| (in \$ thousands) | FORECAST (@100%) | | | | | | | | | |
|--|------------------|----------------|-------------------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual FY15 | Budget FY16 | Estimated FY16 | Budget FY17 | Estimated FY17 | Estimated FY18 | Estimated FY19 | Estimated FY20 | Estimated FY21 | Estimated FY22 |
| Annual Rate ** | 116.00 | 117.74 | 117.74 | 117.74 | 117.74 | 120.44 | 123.21 | 126.16 | 129.18 | 132.28 |
| BEGINNING FUND BALANCE | 3,661.6 | 3,847.8 | 6,515.0 | 8,966.2 | 7,646.5 | 7,783.3 | 7,071.5 | 5,912.2 | 4,503.1 | 2,788.4 |
| REVENUES | | | | | | | | | | |
| Surface Water Assessment * | | | | | | | | | | |
| Non-Ad Valorem Assessment @ 95% | 18,577.7 | 18,515.0 | 19,440.7 | 18,671.4 | 18,671.4 | 19,004.1 | 19,344.0 | 19,708.1 | 20,079.0 | 20,458.0 |
| Grants (fed/state/local) | 1,075.0 | 571.3 | 722.8 | 742.8 | 742.8 | 186.3 | - | - | - | - |
| Interest | 50.4 | 29.2 | 62.4 | 47.8 | 47.8 | 85.6 | 99.0 | 112.3 | 85.6 | 53.0 |
| Other revenues | 128.7 | 27.6 | 115.2 | 111.1 | 111.1 | 113.3 | 115.5 | 117.8 | 120.2 | 122.6 |
| Adjust Assessment Revenue to 100% | | 974.5 | | | 982.7 | 950.2 | 967.2 | 985.4 | 1,003.9 | 1,022.9 |
| Adjust Non-Fee Revenue to 98% | | 1.2 | | | 18.7 | 6.3 | 6.8 | 7.3 | 6.5 | 5.5 |
| TOTAL REVENUES | 19,831.7 | 20,118.7 | 20,341.2 | 19,573.0 | 20,574.4 | 20,345.8 | 20,532.5 | 20,931.0 | 21,295.2 | 21,662.1 |
| % vs prior year | | 1.4% | | -1.3% | | -1.1% | 0.9% | 1.9% | 1.7% | 1.7% |
| TOTAL RESOURCES | 23,493.3 | 23,966.5 | 26,856.2 | 28,539.2 | 28,220.9 | 28,129.1 | 27,603.9 | 26,843.2 | 25,798.3 | 24,450.5 |
| EXPENDITURES | | | | | | | | | | |
| Personal Services | 5,621.3 | 6,279.2 | 6,081.1 | 6,684.8 | 6,684.8 | 6,978.9 | 7,279.0 | 7,592.0 | 7,918.5 | 8,259.0 |
| Operating Expenses | 8,164.6 | 11,191.7 | 9,410.6 | 11,182.3 | 11,182.3 | 11,439.5 | 11,702.6 | 11,983.4 | 12,271.0 | 12,565.5 |
| Capital Outlay | 2,912.3 | 2,581.5 | 2,112.8 | 2,734.6 | 2,734.6 | 2,797.5 | 2,861.9 | 2,930.5 | 3,000.9 | 3,072.9 |
| Constitutional Officer Transfers | 280.2 | 294.6 | 285.4 | 291.0 | 291.0 | 300.2 | 305.5 | 311.3 | 317.1 | 323.1 |
| Expenditure Lapse @3% | | | | | (618.1) | (636.5) | (655.3) | (675.2) | (695.7) | (716.9) |
| CIP Operating Impacts (cumulative) | | | | | 163.0 | 178.0 | 198.0 | 198.0 | 198.0 | |
| TOTAL EXPENDITURES | 16,978.3 | 20,346.9 | 17,890.0 | 20,892.7 | 20,437.6 | 21,057.6 | 21,691.7 | 22,340.1 | 23,009.8 | 23,503.6 |
| % vs prior year | | | | 23.1% | | 3.0% | 3.0% | 3.0% | 3.0% | 2.1% |
| ENDING FUND BALANCE | 6,515.0 | 3,619.5 | 8,966.2 | 7,646.5 | 7,783.3 | 7,071.5 | 5,912.2 | 4,503.1 | 2,788.4 | 946.9 |
| Ending balance as % of Revenue | 32.9% | 18.0% | 44.1% | 39.1% | 38% | 35% | 29% | 22% | 13% | 4% |
| TOTAL REQUIREMENTS | 23,493.3 | 23,966.5 | 26,856.2 | 28,539.2 | 28,220.9 | 28,129.1 | 27,603.9 | 26,843.2 | 25,798.3 | 24,450.5 |
| REVENUE minus EXPENDITURES (NOT cumulative) | 2,853.4 | (228.3) | 2,451.2 | (1,319.7) | 136.8 | (711.8) | (1,159.2) | (1,409.2) | (1,714.6) | (1,841.6) |
| note: non-recurring expenditures | - | | | - | - | - | - | - | - | - |
| net recurring rev- exp | 2,853.4 | (228.3) | | (1,319.7) | 136.8 | (711.8) | (1,159.2) | (1,409.2) | (1,714.6) | (1,841.6) |

* Per Statute, revenue is budgeted at 95.0% of total calculated amount.

** Annual rate based on 166,928.3 ERU in FY17. Subsequent rate increases based on CPI and rounded down to nearest penny.